HOUSE OF REPRESENTATIVES—*Monday, July 28, 1986*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We give thanks, gracious God, for the safe return of Lawrence Martin Jenco who is returning to family and friends after months in captivity. And even as we rejoice in his freedom we pray for the other hostages of several nations that they, too, will know the benefits of liberty. May Your blessings, O God, be with all those who experience captivity that they may know Your presence and Your peace. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair would like to congratulate our Chaplain on the occasion of reaching his 55th birthday last Friday. We presume he was out celebrating and was not around here. All of us, I am sure, would want to wish him the happiness of the day.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1406. An act to authorize appropriations for nongame fish and wildlife conservation during fiscal years 1986, 1987, and 1988;

H.R. 1904. An act to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Chippewas of the Mississippi in Docket Numbered 18-S before the Indian Claims Commission, and for other purposes; and

H.R. 4434. An act to amend the Act entitled "An Act granting a charter to the General Federation of Women's Clubs."

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 524. An act to recognize the organization known as the "Retired Enlisted Association, Incorporated";

S. 2307. An act to provide authorization of appropriations for activities of the U.S. Travel and Tourism Administration;

S.J. Res. 355. Joint resolution to designate August 1986 as "Cajun Music Month";

S.J. Res. 356. Joint resolution to recognize and support the efforts of the U.S. Committee for the Battle of Normandy Museum to encourage American awareness and participation in development of a memorial to the Battle of Normandy; and

S.J. Res. 371. Joint resolution to designate August 1, 1986, as "Helsinki Human Rights Day."

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives."

WASHINGTON, DC,
July 28, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I have the honor to transmit herewith a copy of the Certificate of Election received from Thomas W. Wallace, Executive Director of the State Board of Elections of the State of New York, indicating that the Honorable Alton R. Waldon, Jr. was elected to the Office of Representative in Congress from the Sixth District of New York in the Special Election held on June 10, 1986.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

State of New York, ss: We, the State Board of Elections, constituting the State Board of Canvassers, having canvassed the whole number of votes given for the office of Representative in Congress, 6th C.D. at the Special Election held in said State on the tenth day of June, 1986, according to the certified statements of the said votes received by the State Board of Elections, in the manner directed by law, do hereby determine, declare and certify that Alton R. Waldon, Jr., was, by the greatest number of votes given at the said election, duly elected Representative in Congress, 6th C.D. of the said State.

Given Under Our Hands, at the State Board of Elections, in the City of Albany, the 25th day of July in the year of our Lord one thousand nine hundred and eighty-six.

GEORGE D. SALERNO,
Chairman.
R. WELLS STOUT,
Vice Chairman.
DONALD A. RETTALIATA,
Commissioner.
THOMAS J. SULLIVAN,
Commissioner.
THOMAS W. WALLACE,
Executive Director.

WELCOME TO MAYOR ABBRO AND DELEGATION FROM CAVA DE'TERRINI, ITALY

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CONTE. Mr. Speaker, earlier this year my hometown, Pittsfield, MA, initiated a sister city relationship with Cava de'Terrini of the Naples region in Italy.

The sister cities program is designed to foster international cooperation and promote mutual understanding between peoples.

I'm delighted to welcome to Washington Mayor Abbro and his delegation—who are with us today.

Recently I had the privilege of addressing this distinguished group during their visit to Pittsfield, and I would like to insert a copy of those remarks in the RECORD.

I know that all of you join me in wishing our Italian friends a warm welcome and an enjoyable visit in our Nation's Capital. Benvenuti, cari amaci i fratelli.

The remarks to which I referred are as follows:

REMARKS OF HON. SILVIO O. CONTE, THE SISTER CITIES CEREMONY, PITTSFIELD, MA, JULY 21, 1986

Signor Sindaco, signori consiglieri, signore e signori. Buon giorno e benvenuti a Pittsfield! Welcome to America, welcome to Pittsfield—your sister city.

Oggi siete fra amici, today you are among friends. And friendship is really what a sister city relationship is all about. You know I'm especially pleased to be here today. I thank my very good friend Mayor Smith for inviting me to this wonderful occasion. I also thank Charlie for selecting a sister city in Italy—its a wonderful idea, meraviglioso!

Your choice of Cava di Tirreni was an excellent one. We have much in common such as geography. We're both surrounded by the most beautiful hills found anywhere, we're both cities of approximately 50,000 people and we both celebrate and nurture our traditions and culture. And we've got one heck of a lot of Italians living here, many of whose relatives came from Campagna.

Although my parents came from northern Italy I am especially fond of southern Italy and the province of Campagna. You know, in November 1980, a major earthquake hit Italy centered around Eboli. Besides the cities of Naples, Salerno, Potenza and Avellino, more than 150 other towns and villages were damaged. That quake killed 2,700 people and damaged or destroyed 100,000 structures.

Immediately after learning of that devastation, I introduced a bill in the House providing for a $50 million aid package called

the Southern Italy Earthquake Reconstruction Program.

In part, that program provided emergency supplies and medicine but it also provided funds to rebuild 28 schools like the technical high school in Nocera and the classical high school in Siano. We also rebuilt an orphanage, homes for the aged, community centers and clinics. One of our projects, still under way, is the reconstruction of the Children's Institute, "M.L. Formosa" in Cava.

Just after passing my aid bill, I was appointed to a Presidential delegation along with Mario Cuomo, Jeno Paulucci and others. We went to Italy and saw, first hand, the devastation. In many places it was total and complete. In my long Congressional career, one of my proudest moments was taking the leadership in providing for this relief package.

Living in the Berkshires and having spent some time in Campagna one thing is obvious to me—both our cities are surrounded by abundant natural beauty. Within an hour's drive of Pittsfield lies all of Berkshire County and much of the Pioneer Valley. That same drive from Cava could take you to the Bay of Naples, the ruins at Pompeii or the Amalfi coast, I think that beauty is a bond that joins us at a world class level.

And today in this park and in our hearts, we are also united by the bonds of friendship. Some of us share a common Italian heritage that fosters pride in both countries and our history but we all share the ideals and hopes that are symbolized in this ceremony today.

Our two cities—represented by Mayor Smith and Mayor Abbro—have signed an agreement to promote mutual understanding and friendship. We also pledge to promote wider exchange in education, culture and economic development, all in an effort to further the cause of international friendship and human advancement—great ideals for this wonderful occasion.

Knowing Mayor Smith the way I do, I have a feeling that we'll be seeing other sister cities in the future. I hope we do because I like saying to Mayor Abbro and his distinguished delegation—Lei e' a casa sua qui in Pittsfield. Benvenuto, caro fratello e amico.

Grazie.

WELCOME HOME, FATHER JENCO

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, like all Americans, I was heartened to learn of the release of Father Jenco from the terrorists in Lebanon after 19 months. As a New Mexican, I am especially proud of Father Jenco, since he was the pastor several years ago of a parish in Belen, NM, part of my congressional district.

Welcome home, Father Jenco. But let us heed his words about the three remaining prisoners who are Americans still held in Lebanon.

Mr. Speaker, I was also moved by the anguished tape of another hostage, David Jacobsen, pleading for negotiations for his release.

It is important that we remind our Government of the deep-seated desire of the American people to see these hostages released. All avenues for their release should be pursued. If we appear to be divided, however, in our response to terrorism and in negotiations for the release of Americans, then we play into the hands of the terrorists.

I believe that the administration and our State Department have their act together and are acting responsibly when it comes to dealing with this issue. Let us not second-guess them but support their efforts.

Mr. HORTON. Mr. Speaker, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from New York [Mr. HORTON].

Mr. HORTON. I thank the gentleman for yielding.

Mr. Speaker, the gentleman in the well mentioned about Father Jenco. I would like to point out to the House that I was on two trips with former Congressman George O'Brien, who recently died. I know he and his wife broke away from our group on two occasions to go once to Rome and once to the Middle East. I know he spent a lot of time also in his last days trying to arrange for the release of Father Jenco.

I just thought I would add that in connection with the very fine comments of the gentleman.

Mr. RICHARDSON. I appreciate the comments of the gentleman from New York. I know that my constituents from Our Lady of Belen Church in Belen, NM join with me today in welcoming home Father Martin Jenco. It is indeed a time to rejoice for the safe return of Father Jenco who was freed after 19 months of captivity in Beirut.

Mr. Speaker, for nearly 2 years, I have from time to time been receiving letters from parishioners of Our Lady of Belen Church where Father Jenco served for a time. Those letters show that Father Jenco left a lasting spirit of faith and love with the Belen community. The people of Belen understand that Father Jenco had to go to Lebanon to fulfill his mission as head of Catholic Relief Services. He did not abandon us during his time of captivity. The people of Belen did not give up and did their best to focus congressional and national attention on the plight of Father Jenco and the other remaining hostages in Lebanon. Father Jenco has set an example to all of us as one who strives to make faith concrete and bring the spirit of caring for others to realization.

Father Jenco's words of encouragement after his release are comforting to all of us, that he, "has high hopes for the release of his three friends and fellow prisoners and other hostages." Mr. Speaker, it is important that we do not forget the remaining Americans still held captive in Lebanon. Each life contains a universe, if only one American remains, we ought to be as attentive and vigilant as though there were 100. Let us not permit their image to fade. We must continue to press that all avenues and resources be used to gain the release of our fellow citizens. It is time to negotiate for their release. This does not mean we give in to terrorism. No; we are on morally higher ground than terrorists when we show how much individual lives mean in our system of values.

DEFICIT REDUCTION TARGETS UNDER GRAMM-RUDMAN

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, last week the Commerce Department estimated that the GNP will grow in the second quarter of this year at an annual rate of only 1.1 percent. The two-quarter average is just 2.4 percent, compared with the 3.3-percent estimate on which we are basing the 1987 budget resolution. This lower growth rate means a much higher Federal deficit—about $20 billion extra for each percentage point drop in GNP growth.

Add to this last year's trade deficit of $150 billion, the potent impact of disinflation, over 7-percent unemployment, and business hesitancy in the face of major tax changes, and we clearly are dealing with a stagnant economy.

There is extreme weakness in the key agriculture and manufacturing sectors of the economy—troubles that we have experienced in Oklahoma for the past 3 to 4 years. We are now living with $10 per barrel oil and $2 per bushel wheat, as well as a series of bank failures unparalleled in recent years, culminating with the recent collapse of First National in Oklahoma City.

In my view, Mr. Speaker, there is little prospect for a quick turnaround unless we take firm action to meet the deficit reduction targets set by Gramm-Rudman. Every part of the budget, including defense, will have to take its fair share of cuts. It's time to stop arguing about the mechanics of budget cutting, and demonstrate that fiscal restraint begins right here.

CONTRAS: U.S. MILITARY SOLUTION TAKES PLACE OF DIPLOMACY

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. VENTO. Mr. Speaker, I was dismayed this past week to read of the dismissal of a Foreign Service diplomat, John Ferch, recent Ambassador

to Honduras. While the time is ripe for negotiations, it is clear that the Reagan administration is putting all the U.S. emphasis on a military solution through support of the Contras.

Reagan has paid lip service to negotiations with the appointment of Phil Habib as a special negotiator. The fact is that although an able negotiator, he has not even been to Managua, Nicaragua's capital.

Furthermore, the dismissal of Ferch seems to be based largely on the fact that he properly gave credence to the democratically elected government of Honduras which the United States supports and did not discuss and clear key issues with the military officer power base in Honduras which would, of course, have literally thereby undercut the elected government. Mr. Speaker, the following article from the Friday, July 25, Washington Post is included for my colleagues' consideration.

The $100 million in military aid to the Contras and the $400 million in the aid measure approved by the House along with these facts addressed in this report point out that Central American-United States diplomacy and policy is indeed on a slippery slope.

[From the Washington Post, July 25, 1986]

U.S. Is Said To Seek Military Solution in Nicaragua

(By Roy Newsday Gutman)

John Ferch, fired recently from his post as ambassador to Honduras, believes the Reagan administration is seeking a military solution in Nicaragua despite claiming publicly that it wants a negotiated settlement.

The 27-year Foreign Service veteran was dismissed last month after serving less than a year. Honduras is the staging ground for President Reagan's campaign to topple the Sandinista government in Nicaragua.

Days before Ferch's ouster, the House approved $100 million in aid for Nicaraguan rebels based in Honduras. Ferch said in an interview that if the administration does not pursue a negotiated settlement in Nicaragua, the $100 million will be just a "down payment."

The ex-ambassador said the time is ripe for diplomacy. He said his view "until the time they canned me was that you've got them [the Sandinistas] to the point where they've panicked so much they would negotiate some meaningful concessions."

If the administration fails to seize the moment and push for negotiations, he said, the $100 million "is going to go so fast, it's really just the first step. The logic of it all means that the next stage is an expanded military operation."

"I always thought we meant what we said. We wanted pressures so we could negotiate," Ferch said. "I'm beginning to think I accepted something that wasn't true." Ferch said the manner of his dismissal suggested that "our goal is something different. It's a military goal."

Ferch spoke by telephone from Canada, where he is vacationing.

Ferch previously served as head of the U.S. mission in Havana and deputy chief of mission in Mexico City. Administration officials said he had demonstrated excellent political skills in Honduras but blamed "significant" morale problems in the embassy on his management. He was also faulted for strained relations with the Honduran military and with the large Central Intelligence Agency station in Tegucigalpa. The State Department insists that policy differences had nothing to do with his firing.

In the interview, Ferch also said:

Cuba and the Soviet Union are unlikely to interfere if the Sandinistas come under heavy military pressure. "I don't think they're going to fight down to the wire," he said. "The Cubans and Russians are not going to throw in troops like that. They are so concerned about a clash with us that they'll be very cautious."

Honduras has a more comprehensive approach to Nicaragua than does the U.S. government. "They have been far better at negotiations than we have," he said. "When I would get instructions to go in and tell them things, I would follow them in my own way, because it was teaching them to suck eggs. They really were ahead of us always."

The manner of his ouster undercut the newly elected civilian leadership in Honduras. He said U.S. officials "have let out the word that my relations with the military down in Honduras were not good. That is not true." Ferch said he always went first to President Jose Azcona rather than to the military. "I did that very consciously, and the military were understanding but not happy," he said. "They knew they were accepting a new role in life." But in saying that he did not get along with the military and suggesting that was a problem, Ferch said U.S. officials have "set alight a sleeping fire. It doesn't help Honduran democracy. There's no question about that. It's not me personally. The combination of getting rid of me and saying 'He didn't get along with the military' really does undercut the president."

Ferch said he believes he was fired "because they want somebody down there to be strong enough and proconsul enough that no Honduran government is going to object to anything. They're going to want someone to go in and say, 'Baby, this is the way it's going to be.'" He warned that if that was the intention, "nothing is going to happen" because Hondurans will not take orders.

The administration has not announced Ferch's successor, but officials said Everett Briggs, a career diplomat who was ambassador to Panama, is the leading candidate. Ferch called Briggs an excellent choice, but said, "What's ironic about this is that Ted isn't that type of diplomat. Ted really will support the civilian side of the house."

Ferch's view that a negotiated settlement is no longer the U.S. goal in Nicaragua is bound to be disputed by State Department officials, but his remarks underscored the current absence of any concerted diplomatic initiative.

Reagan named veteran diplomat Philip C. Habib as special negotiator in March, but despite several trips to the region, Habib has yet to visit Managua, Nicaragua's capital. Ferch said he was "extraordinarily impressed" by Habib during Habib's brief visits to Honduras. "Then, all of a sudden, he faded. You didn't hear from him," Ferch said.

Ferch said he had been convinced that military and psychological pressures by the United States would force the Sandinistas to the bargaining table to make meaningful concessions. "You know, the pressures are in place at two points: they are in place right now when you pass the vote [by Congress for military aid to the rebels]. Then the first time [the rebels] start shooting down helicopters," the military pressures against the Sandinistas are in place, he said.

Ferch said he had relayed to the State Department his assessment that the United States should take advantage of these pressures in negotiating. "But what can I tell you? I'm up here in the North Woods now. My overview has been discarded," he said.

Ferch said he was "fed up" with the Foreign Service because of anonymous criticism of him by former colleagues. After a sabbatical, he said, he will look for a job, but "I really don't think I want to have anything to do with the Foreign Service anymore."

Ferch and his family are building a cabin by a remote lake north of Lake Huron in southern Ontario.

"There is life after diplomacy," he said. "I am screwed but happy."

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, July 29, 1986.

CONGRESSIONAL REPORTS ELIMINATION ACT OF 1986

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2518) to discontinue or amend certain requirements for agency reports to Congress, as amended.

The Clerk read as follows:

H.R. 2518

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Reports Elimination Act of 1986".

TITLE I—ELIMINATIONS

REPORTS BY MORE THAN ONE AGENCY

Sec. 101. (a) Section 218(a) of the Biomass Energy and Alcohol Fuels Act of 1980 (42 U.S.C. 8818(a)) is repealed.

(b) Section 3104 of title 5, United States Code, is amended by—

(1) striking out subsection (b);

(2) redesignating paragraphs (1), (2), and (3) of subsection (a) as subsections (a), (b), and (c), respectively; and

(3) striking out "paragraph (1) of this subsection" each place it appears in subsections (b) and (c) (as redesignated by paragraph (2) of this subsection) and inserting in lieu thereof "subsection (a) of this section".

REPORTS BY THE DEPARTMENT OF COMMERCE

Sec. 102. Section 5 of the Central, Western and Southern Pacific Fisheries Development Act (16 U.S.C. 758e-2) is repealed.

REPORTS BY THE DEPARTMENT OF EDUCATION

Sec. 103. (a) Section 117(d) of the Higher Education Act of 1965 (20 U.S.C. 1017(d)) is repealed.

(b) Section 553(c) of the Higher Education Act of 1965 (20 U.S.C. 1119c-2(c)) is repealed.

(c) Section 605(b) of the Higher Education Act of 1965 (20 U.S.C. 1125(b)) is repealed.

REPORTS BY THE DEPARTMENT OF ENERGY

SEC. 104. (a) Section 7(b)(7) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906(b)(7)) is amended by—

(1) striking out subparagraph (A); and

(2) striking out the subparagraph designator "(B)".

(b) Section 11 of the Wind Energy Systems Act of 1980 (42 U.S.C. 9210) is amended by—

(1) striking out paragraph (5);

(2) inserting "and" at the end of paragraph (4); and

(3) redesignating paragraph (6) as paragraph (5).

REPORTS BY THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SEC. 105. (a) Section 505(f) of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-4(f)) is repealed.

(b) Section 506(c) of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-5(c)) is repealed.

REPORTS BY THE DEPARTMENT OF JUSTICE

SEC. 106. Section 2101(d) of title 18, United States Code, is amended by striking out the semicolon and all that follows and inserting in lieu thereof a period.

REPORTS BY THE DEPARTMENT OF TRANSPORTATION

SEC. 107. Section 13 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1746) is repealed.

REPORTS BY THE NATIONAL SCIENCE FOUNDATION

SEC. 108. Section 8 of the National Science Foundation Authorization Act, 1977 (42 U.S.C. 1883) is amended by—

(1) inserting "and" after the semicolon at the end of paragraph (3);

(2) striking out "; and" at the end of paragraph (4) and inserting in lieu thereof a period; and

(3) striking out paragraph (5).

REPORTS BY THE NUCLEAR REGULATORY COMMISSION

SEC. 109. Section 201(h) of the Energy Reorganization Act of 1974 (42 U.S.C. 5841(h)) is repealed.

REPORTS BY THE OFFICE OF PERSONNEL MANAGEMENT

SEC. 110. (a) Section 5114 of title 5, United States Code, is repealed.

(b) The table of sections for chapter 51 of such title is amended by striking out the item relating to section 5114.

TITLE II—MODIFICATIONS

REPORTS BY MORE THAN ONE AGENCY

SEC. 201. Section 203(o) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(o)) is amended—

(1) striking out "The Administrator" and all that follows through "shall submit" and inserting in lieu thereof the following: "The Administrator with respect to property disposed of under subsection (j) or (p) of this section, and the head of each executive agency disposing of property under subsection (k) of this section, or under section 13(d) or 13(g) of the Surplus Property Act of 1944 (50 U.S.C. App. 1622(d) or (g)), shall submit"; and

(2) by striking out "personal property so donated and of all real"; and

(3) by striking out "donations and transfers" and inserting in lieu thereof "disposals".

REPORTS BY THE DEPARTMENT OF AGRICULTURE

SEC. 202. The last sentence of the paragraph under the heading "GENERAL SALES MANAGER—(ALLOTMENT FROM THE COMMODITY CREDIT CORPORATION) in title IV of Public Law 97-370 (15 U.S.C. 713a-10; 96 Stat. 1808) is amended by striking out "quarterly" and inserting in lieu thereof "annual".

REPORTS BY THE DEPARTMENT OF COMMERCE

SEC. 203. (a) Section 7(a) of the Marine Resources and Engineering Development Act of 1966 (33 U.S.C. 1106(a)) is amended by striking out "in January of each year" and inserting in lieu thereof "biennially in January".

(b) Section 16 of the Act of June 18, 1934 (48 Stat. 1002, chapter 590; 19 U.S.C. 81p) is amended by—

(1) striking out "containing a full statement of all the operations, receipts, and expenditures, and such other information as the Board may require" is subsection (b) and inserting in lieu thereof "on zone operations"; and

(2) striking out subsection (c) and inserting in lieu thereof the following:

"(c) The Board shall make a report to Congress annually containing a summary of zone operations.".

REPORTS BY THE DEPARTMENT OF EDUCATION

SEC. 204. Section 653(c) of the Education of the Handicapped Act (20 U.S.C. 1453(c)) is amended by striking out "The Secretary shall make an annual" and inserting in lieu thereof "Every three years, the Secretary shall make a".

REPORTS BY THE DEPARTMENT OF TRANSPORTATION

SEC. 205. Section 107 of the Federal Aviation Act of 1958 (49 U.S.C. 1307) is amended by—

(1) striking out "each January 31 thereafter" in subsection (b) and inserting in lieu thereof "each April 1 thereafter"; and

(2) striking out "each January 31 thereafter" in subsection (c) and inserting in lieu thereof "each April 1 thereafter".

REPORTS BY THE DEPARTMENT OF THE TREASURY

SEC. 206. (a) Section 201(f) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821(f)) is amended by—

(1) striking out "Secretary of the Treasury, in cooperation with the"; and

(2) striking out the comma after "the Secretary of State".

(b) Section 6103(p)(5) of the Internal Revenue Code of 1954 (26 U.S.C. 6103(p)(5)) is amended by striking out "quarter" and inserting in lieu thereof "year".

GENERAL SERVICES ADMINISTRATION

SEC. 207. Section 203(j)(4)(E) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(j)(4)(E)) is amended by striking out "$3,000" and inserting in lieu thereof "$5,000".

REPORTS BY THE UNITED STATES MERIT SYSTEMS PROTECTION BOARD

SEC. 208. Section 7701(i)(2) of title 5, United States Code, is amended by striking out "calendar" and inserting in lieu thereof "fiscal".

The SPEAKER pro tempore (Mr. MONTGOMERY). Pursuant to the rule, a second is not required on this motion.

The gentleman from Texas [Mr. BROOKS] will be recognized for 20 minutes and the gentleman from New York [Mr. HORTON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, H.R. 2518, as amended, would eliminate or modify reports which executive branch agencies are currently required by law to submit to Congress on a recurring basis. This effort to reduce the number of reporting requirements is a part of a continuing process conducted by Congress, with the assistance of the General Accounting Office and the Office of Management and Budget. By eliminating requirements which are no longer useful and reducing the frequency of other reports, we can assure that Federal resources assigned to the reporting process are used in those areas of greatest need to Congress.

H.R. 2518, as introduced, was a compliation of recommendations received by the OMB from executive branch agencies. These recommendations called for the elimination or modification of reporting requirements which, in the opinion of the departments and agencies, are either no longer necessary to Congress on a recurring basis or which require modification. The Government Operations Committee asked other committees of the House whether the reports could be eliminated without harm to their oversight and legislative activities. The committees made recommendations for amendments to the bill in order to assure the continuing receipt of information which is still pertinent and useful. All amendments recommended by committees of the House to delete or modify provisions of the bill were approved by the Government Operations Committee.

According to the Congressional Budget Office, the elimination and modification of the reports contained in H.R. 2518 will result in a savings to the Federal Government of approximately $1 million.

Mr. Speaker, I reserve the balance of my time.

Mr. HORTON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I am glad that once again we are considering the problem of unnecessary paperwork required of Government agencies. It is a useful exercise to look, on a regular basis, at reporting requirements imposed on the executive branch to determine which reports have become unnecessary for one reason or another. As a result of this process, we can eliminate some reports, and reduce the frequency others must be filed. As the chairman of the Commission on Federal Paperwork, which existed between 1975 and 1977, and made 770 constructive suggestions for reducing the paperwork burden, I fully concur in such an undertaking.

This is the third time we have considered legislation to eliminate unneeded reports. I trust that by now we have established this procedure as a regular and ongoing one for both the Congress and the executive branch.

Mr. Speaker, the bill we consider today eliminates or modifies the requirement for only 25 reports. I regret that this number is not closer to the approximately 230 reports that were contained in the administration's draft on which this legislation is based. I hope that in future years, committees will review reports elimination bills with an objective of eliminating more reports so that we can report legislation to the House that will have a more significant impact on the burden of Government paperwork.

Nevertheless, H.R. 2518 is a step in the right direction. The administration supports its enactment. I am pleased to support the bill as amended, and urge my colleagues to do likewise.

Mr. Speaker, I have no additional requests for time, and I yield back the balance of my time.

Mr. BROOKS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. BROOKS] that the House suspend the rules and pass the bill, H.R. 2518, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations be discharged from further consideration of the Senate bill (S. 992) to discontinue or amend certain requirements for agency reports to Congress, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 992

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Reports Elimination Act of 1985".

TITLE I—ELIMINATIONS

REPORTS BY MORE THAN ONE AGENCY

SEC. 101. (a) Section 218(a) of the Biomass Energy and Alcohol Fuels Act of 1980 (42 U.S.C. 8818(a)) is repealed.

(b) Section 3104 of title 5, United States Code, is amended by—

(1) striking out subsection (b);

(2) redesignating paragraphs (1), (2), and (3) of subsection (a) as subsections (a), (b), and (c), respectively; and

(3) striking out "paragraph (1) of this subsection" each place it appears in subsections (b) and (c) (as redesignated by paragraph (2) of this subsection) and inserting in lieu thereof "subsection (a) of this section".

(c) Section 26(e)(2) of the Toxic Substances Control Act (15 U.S.C. 2625(e)(2)) is amended to read as follows:

"(2) The Administrator and the Secretary shall—

"(A) define the term 'known financial interests' for purposes of paragraph (1), and

"(B) establish the methods by which the requirement to file written statements specified in paragraph (1) will be monitored and enforced, including appropriate provisions for review by the Administrator and the Secretary of such statements.".

(d) Section 1114(b) of title 31, United States Code, is repealed.

(e) Section 1113(e)(3) of title 31, United States Code, is repealed.

(f) Section 311(c) of title 37, United States Code, is repealed.

(g) Section 203(o) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(o)) is amended by striking out ", and the head of each executive agency disposing of real property under subsection (k) of this section," in the first sentence.

REPORTS BY THE EXECUTIVE OFFICE OF THE PRESIDENT

SEC. 102. (a) Section 1105(a)(12) of title 31, United States Code, is repealed.

(b) Section 3524(b) of title 31, United States Code, is repealed.

REPORTS BY THE DEPARTMENT OF AGRICULTURE

SEC. 103. (a) Section 7(b) of the Soil and Water Resources Conservation Act of 1977 (16 U.S.C. 2006(b)) is repealed.

(b) Section 17(j) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(j)) is repealed.

REPORTS BY THE DEPARTMENT OF COMMERCE

SEC. 104. (a) Section 6(b) of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. 1251 note) is repealed.

(b) Section 259 of the Revised Statutes (15 U.S.C. 183) is repealed.

(c)(1) Section 201 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1441) is amended by striking out "and shall report from time to time, not less frequently than annually, his findings (including an evaluation of the short-term ecological effects and the social and economic factors involved) to the Congress".

(2) Section 202(c) of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1442(c)) is amended by inserting "and section 201" after "this section" in the first sentence.

(d) Section 5(e) of the Fair Packaging and Labeling Act (15 U.S.C. 1454(e)) is repealed.

(e) Section 2(d)(2) of the Act of August 11, 1939 (commonly referred to as the Saltonstall-Kennedy Act) (15 U.S.C. 713c-3(d)(2)) is repealed.

(f) Section 3 of Public Law 96-339 (16 U.S.C. 971i) is repealed.

(g) Section 5 of the Central, Western, and South Pacific Fisheries Development Act (16 U.S.C. 758e-2) is repealed.

REPORTS BY THE DEPARTMENT OF DEFENSE

SEC. 105. (a) Section 2672a of title 10, United States Code, is amended by striking out the last sentence.

(b)(1) Section 2662 of title 10, United States Code, is repealed.

(2) The table of sections for chapter 159 of such title is amended by striking out the item relating to section 2662.

(c) Section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d-5b) is amended by striking out subsection (d) and by redesignating subsection (e) as subsection (d).

(d) Section 2675 of title 10, United States Code, is amended by striking out the subsection designation "(a)" and by striking out subsection (b).

REPORTS BY THE DEPARTMENT OF EDUCATION

SEC. 106. (a) Section 117(d) of the Higher Education Act of 1965 (20 U.S.C. 1017(d)) is repealed.

(b) Section 553(c) of the Higher Education Act of 1965 (20 U.S.C. 1119(c-2)(c)) is repealed.

(c) Section 605(b) of the Higher Education Act of 1965 (20 U.S.C. 1125(b)) is repealed.

(d) Section 403(a)(2) of the Department of Education Organization Act (20 U.S.C. 3463(a)(2)) is repealed.

(e) Section 441(e)(3) of the Carl D. Perkins Vocational Education Act of 1984 (Public Law 98-524) is amended by striking out the last sentence.

REPORTS BY THE DEPARTMENT OF ENERGY

SEC. 107. (a) Section 7(b)(7) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906(b)(7)) is amended by—

(1) striking out subparagraph (A); and

(2) striking out "(B)" before "No".

(b) Title II of Public Law 96-126 is amended by striking out the last paragraph under the heading "Department of Energy-Alternative Fuels Production" (42 U.S.C. 5915 note).

(c) The Powerplant and Industrial Fuel Use Act of 1978 is amended by—

(1) striking out section 801 (42 U.S.C. 8481); and

(2) striking the item relating to section 801 in the table of contents.

(d) Section 11 of the Wind Energy Systems Act of 1980 (42 U.S.C. 9210) is amended by—

(1) striking out paragraph (5);

(2) inserting "and" after the semicolon at the end of paragraph (4); and

(3) redesignating paragraph (6) as paragraph (5).

(e) The Public Utility Regulatory Policies Act of 1978 is amended by—

(1) striking out section 116 (16 U.S.C. 2626);

(2) striking out section 309 (15 U.S.C. 3209); and

(3) striking out the items relating to sections 116 and 309 in the table of contents.

(f) Section 218(b) of the Biomass Energy and Alcohol Fuels Act of 1980 (42 U.S.C. 8818(b)) is repealed.

(g) Section 8 of the Nuclear Safety Research, Development, and Demonstration Act of 1980 (42 U.S.C. 9707) is amended by striking out subsections (b) and (c) and by striking out "(a)" before "The Secretary".

REPORTS BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

Sec. 108. (a) Section 308(a) of the Public Health Service Act (42 U.S.C. 242m(a)) is amended—

(1) by striking out paragraph (1);

(2) by striking out "or (2)" in paragraph (3); and

(3) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(b) Section 317(h) of the Public Health Service Act (42 U.S.C. 247b(h)) is repealed.

(c) Section 336A of the Public Health Service Act (42 U.S.C. 254i) is repealed.

(d) Section 338A(i) of the Public Health Service Act (42 U.S.C. 254l(i)) is repealed.

(e) Section 357 of the Public Health Service Act (42 U.S.C. 263e) is repealed.

(f) Section 360D of the Public Health Service Act (42 U.S.C. 263l) is repealed.

(g)(1) Section 2111 of the Public Health Service Act (42 U.S.C. 300aa-10) is repealed.

(2) The first sentence of section 383(b) of such Act (42 U.S.C. 277(b)) is amended by striking out ", and the Secretary shall include in his annual report to the Congress a statement covering the recommendations made by the Board and the disposition thereof".

(h) Section 771(b)(2)(C) of the Public Health Service Act (42 U.S.C. 295f-1(b)(2)(C)) is amended by striking out "and to the Committee on Interstate and Foreign Commerce of the House of Representatives and to the Committee on Labor and Public Welfare of the Senate" in the last sentence.

(i) Section 1009 of the Public Health Service Act (42 U.S.C. 300a-6a) is repealed.

(j) Section 1122 of the Public Health Service Act (42 U.S.C. 300c-12) is amended to read as follows:

"SUDDEN INFANT DEATH SYNDROME RESEARCH

"SEC. 1122. From the sums appropriated to the National Institute of Child Health and Human Development under section 441, the Secretary shall assure that there are applied to research which relates specifically to sudden infant death syndrome, and to research which relates generally to sudden infant death syndrome, including high-risk pregnancy and high-risk infancy research which directly relates to sudden infant death syndrome, such amounts each year as will be adequate, given the leads and findings then available from such research, in order to make maximum feasible progress toward identification of infants at risk of sudden infant death syndrome and prevention of sudden death syndrome.".

(k) Section 1315 of the Public Health Service Act (42 U.S.C. 300e-14) is repealed.

(l) Section 1318(e) of the Public Health Service Act (42 U.S.C. 300e-17(e)) is repealed.

(m) Section 1705 of the Public Health Service Act (42 U.S.C. 300u-4) is amended—

(1) by striking out subsection (b); and

(2) by striking out "(a)" before "The".

(n) Section 1881(c)(6) of the Social Security Act (42 U.S.C. 1395rr(c)(6)) is amended by striking out the last sentence.

(o)(1) Title IV of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (42 U.S.C. 3509) is repealed.

(2) The table of contents for such Act is amended by striking out the items relating to section 1200 and title IV.

(p) Section 315 of the Runaway Homeless Youth Act (42 U.S.C. 5715) is repealed.

(q) Section 640(d) of the Head Start Act (42 U.S.C. 9835) is amended by striking out the second sentence.

REPORTS BY THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SEC. 109. (a) Section 904 of the Housing and Community Development Act of 1977 (42 U.S.C. 3540) is repealed.

(b) Section 311 of the Energy Conservation Standards for New Buildings Act of 1976 (42 U.S.C. 6840) is repealed.

(c) Section 505(f) of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-4(f)) is repealed.

(d) Section 506(c) of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-5(c)) is repealed.

REPORTS BY THE DEPARTMENT OF THE INTERIOR

SEC. 110. (a) Section 522(b) of the Energy Policy and Conservation Act (42 U.S.C. 6392(b)) is amended to read as follows:

"(b) The Secretary and the Secretary of the Interior shall each act, within 90 days after the date of enactment of this Act, in accordance with section 553 of title 5, United States Code—

"(1) to define the term 'known financial interest' for purposes of subsection (a); and

"(2) to establish the methods by which the requirement to file written statements specified in subsection (a) will be monitored and enforced, including appropriate provisions for the filing by such officers and employees of such statements and the review by the Secretary or the Secretary of the Interior, as the case may be, of such statements.".

(b) Section 8(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)) is amended by striking out paragraphs (8) and (9).

(c) Section 2 of Public Law 87-283 (25 U.S.C. 165) is repealed.

(d) Public Law 87-279 (25 U.S.C. 15) is amended by striking out the last sentence.

(e) Section 31(e) of the Act of February 25, 1920 (41 Stat. 450, chapter 85; 30 U.S.C. 188(e)) is amended by striking out the second sentence.

REPORTS BY THE DEPARTMENT OF JUSTICE

SEC. 111. Section 2101(d) of title 18, United States Code, is amended by striking out the semicolon and all that follows and inserting in lieu thereof a period.

REPORTS BY THE DEPARTMENT OF LABOR

SEC. 112. Section 4(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 204(e)) is repealed.

REPORTS BY THE DEPARTMENT OF TRANSPORTATION

SEC. 113. (a) Section 13 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1746) is repealed.

(b) Section 163 of the Federal-Aid Highway Act of 1973 (23 U.S.C. 130 note) is amended by—

(1) striking out subsection (o); and

(2) redesignating subsections (p) and (q) as subsections (o) and (p), respectively.

(c) Section 203(e) of the Highway Safety Act of 1973 (23 U.S.C. 130 note) is amended by striking out the third, fourth, and fifth sentences.

(d) Section 152(g) of title 23, United States Code, is amended by striking out the third, fourth, and fifth sentences.

(e) Section 308(a) of title 49, United States Code, is repealed.

REPORTS BY THE DEPARTMENT OF THE TREASURY

SEC. 114. (a) Section 331 of title 31, United States Code, is amended by striking out subsection (b).

(b) Section 1302(c)(2) of the Panama Canal Act of 1979 (22 U.S.C. 3712(c)(2)) is amended by striking the last sentence.

(c)(1) Section 1121(b) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3421(b)) is repealed.

(2) Section 1121 of such Act is further amended by striking out "(a)" before "In April".

REPORTS BY THIS CONSUMER PRODUCT SAFETY COMMISSION

SEC. 115. Section 35(e) of the Consumer Product Safety Act (15 U.S.C. 2082) is repealed.

REPORTS BY THE ENVIRONMENTAL PROTECTION AGENCY

SEC. 116. (a) Section 33(a)(7) of the Solid Waste Disposal Act Amendments of 1980 (42 U.S.C. 6981 note) is repealed.

(b) Section 2001(b)(3) of the Solid Waste Disposal Act (42 U.S.C. 6911(b)(3)) is repealed.

(c) Section 7007(c) of the Solid Waste Disposal Act (42 U.S.C. 6977(c)) is repealed.

(d) Section 127 of the Clean Air Act Amendments of 1977 is amended by—

(1) striking out subsection (b) (42 U.S.C. 7479 note);

(2) striking out subsection (d) (42 U.S.C. 7470 note); and

(3) redesignating subsection (c) as subsection (b).

(e) Section 102(d) of the Federal Water Pollution Control Act (33 U.S.C. 1252(d)) is repealed.

(f) Section 104(n) of the Federal Water Pollution Control Act (33 U.S.C. 1254(n)) is amended by striking out paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(g) Section 516(a) of the Federal Water Pollution Control Act (33 U.S.C. 1375(a)) is repealed.

(h) Section 9 of the Used Oil Recycling Act of 1980 (42 U.S.C. 6932 note) is repealed.

(i)(1) Section 1442(a)(3)(A) of the Public Health Service Act (42 U.S.C. 300j-l(a)(3)(A)) is repealed.

(2) Section 1442(a)(3)(B) of the Public Health Service Act (42 U.S.C. 300j-l(a)(3)(B)) is repealed.

(3) Section 1442 of the Public Health Service Act (42 U.S.C. 300j-l(c)) is amended by striking out subsection (c) and by redesignating subsections (d), (e), and (f) as subsections (c), (d), and (e), respectively.

(j) Section 1412(e)(2) of the Public Health Service Act (42 U.S.C. 300g-l(e)(2)) is repealed.

(k) Section 1450(h) of the Public Health Service Act (42 U.S.C. 300j-9(h)) is repealed.

(l) Section 210 of the Federal Water Pollution Control Act (33 U.S.C. 1290) is repealed.

REPORTS BY THE FEDERAL COMMUNICATIONS COMMISSION

SEC. 117. Section 5(g) of the Communications Act of 1934 (47 U.S.C. 155(g)) is repealed.

REPORTS BY THE FEDERAL LABOR RELATIONS AUTHORITY

SEC. 118. Section 7104(e) of title 5, United States Code, is repealed.

REPORTS BY THE GENERAL SERVICES ADMINISTRATION

SEC. 119. Section 10 of Public Law 94-519 (40 U.S.C. 493) is amended to read as follows:

"SEC. 10. Not later than thirty months after the effective date of this Act, and biennially thereafter, the Comptroller General of the United States shall transmit to the Congress a report which covers the two-year period from such date and contains: (1) a full and independent evaluation of the operation of this Act, (2) the extent to which the objectives of this Act have been fulfilled, (3) how the needs served by prior Federal personal property distribution programs have been met, (4) an assessment of the degree to which the distribution of surplus property has met the relative needs of the various public agencies and other eligible institutions, and (5) such recommendations as the Comptroller General determines to be necessary or desirable.".

REPORTS BY THE INTERSTATE COMMERCE COMMISSION

SEC. 120. Section 10732(b) of title 49, United States Code, is amended by striking out the second and third sentences.

REPORTS BY THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SEC. 121. Section 21(f) of the Small Business Act (15 U.S.C. 648(f)) is repealed.

REPORTS BY THE NATIONAL SCIENCE FOUNDATION

SEC. 122. Section 8 of the National Science Foundation Authorization Act, 1977 (42 U.S.C. 1883) is amended by—

(1) inserting "and" after the semicolon at the end of paragraph (3);

(2) striking out the semicolon and "and" at the end of paragraph (4) and inserting in lieu thereof a period; and

(3) striking out paragraph (5).

REPORTS BY THE NUCLEAR REGULATORY COMMISSION

SEC. 123. Section 201(h) of the Energy Reorganization Act of 1974 (42 U.S.C. 5841(h)) is repealed.

REPORTS BY THE OFFICE OF PERSONNEL MANAGEMENT

SEC. 124. (a) Section 5114 of title 5, United States Code, is repealed.

(b) The table of sections for chapter 51 of such title is amended by striking out the item relating to section 5114.

REPORTS BY THE SMALL BUSINESS ADMINISTRATION

SEC. 125. Section 10 of the Small Business Act (15 U.S.C. 639) is amended by striking out subsection (g).

TITLE II—MODIFICATIONS

REPORTS BY MORE THAN ONE AGENCY

SEC. 201. (a) The first sentence of section 2(d) of Public Law 96-135 (25 U.S.C. 472a(d)) is amended by—

(1) striking out "report following the close of each fiscal year" and inserting in lieu thereof "biennial report"; and

(2) striking out "which they took in such fiscal year" and inserting in lieu thereof "which they have taken".

(b) Section 2(e)(2) of Public Law 96-135 (25 U.S.C. 472a(e)(2)) is amended by—

(1) striking out "following the close of each fiscal year";

(2) striking out "which they took in such fiscal year" and inserting in lieu thereof "which they have taken"; and

(3) inserting "biennial" before "report".

(c) The first paragraph of section 11 of Public Law 92-195 (16 U.S.C. 1340) is amended to read as follows:

"The Secretary of Agriculture shall include in each report required under sections 528 and 529 of the Revised Statutes, and the Secretary of the Interior shall include in the annual report of the Department of the Interior, a joint statement of such Secretaries on the administration of this Act, including a summary of enforcement and/or other actions taken thereunder, costs, and such recommendations for legislative or other actions as such Secretaries may deem appropriate.".

REPORTS BY THE EXECUTIVE OFFICE OF THE PRESIDENT

SEC. 202. Section 9503(a) of title 31, United States Code, is amended by—

(1) striking out "annual report" in paragraph (1) and inserting in lieu thereof "report shall be submitted every five years, and"; and

(2) inserting "fifth" before "plan year involved" in paragraph (1)(B).

REPORTS BY THE DEPARTMENT OF AGRICULTURE

SEC. 203. The last sentence of the paragraph under the heading "GENERAL SALES MANAGER—(ALLOTMENT FROM THE COMMODITY CREDIT CORPORATION) in title IV of Public Law 97-370 (15 U.S.C. 713a-10; 96 Stat. 1808) is amended by striking out "quarterly" and inserting in lieu thereof "annual".

REPORTS BY THE DEPARTMENT OF COMMERCE

SEC. 204. (a) Section 7(a) of the Marine Resources and Engineering Development Act of 1966 (33 U.S.C. 1106(a)) is amended by striking "in January of each year" and inserting in lieu thereof "biennially in January".

(b) Section 16 of the Act of June 18, 1934 (48 Stat. 1002, chapter 590; 19 U.S.C. 81p) is amended by—

(1) striking out "containing a full statement of all the operations, receipts, and expenditures, and such other information as the Board may require" in subsection (b) and inserting in lieu thereof "on zone operations"; and

(2) striking out subsection (c) and inserting in lieu thereof the following:

"(c) The Board shall make a report to Congress annually containing a summary of zone operations.".

(c) Section 5(d)(9) of the National Climate Program Act (15 U.S.C. 2904(d)(9)) is amended by striking out "that shall be revised and extended biennially" and inserting in lieu thereof "that shall be reviewed every year and revised as appropriate".

(d) Section 202(c) of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1442(c)) is amended to read as follows:

"(c) In March of every other year, the Secretary of Commerce shall report to the Congress on the results of activities undertaken pursuant to this section during the previous two fiscal years.".

REPORTS BY THE DEPARTMENT OF EDUCATION

SEC. 205. (a)(1) Section 12(c) of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress; 20 U.S.C. 642(c)) is amended by striking out "annual report" and inserting in lieu thereof "biennial report".

(2) Section 401(c) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress; 20 U.S.C. 242(c)) is amended by striking out "annual report" and inserting in lieu thereof "biennial report".

(b) Section 618(f)(2)(E) of the Education of the Handicapped Act (20 U.S.C. 1418(f)(2)(E)) is amended to read as follows:

"(E) an analysis and evaluation of the effectiveness of procedures undertaken by State educational agencies, local educational agencies, and intermediate educational units to ensure that handicapped children and youth receive special education and related services in the least restrictive environment commensurate with their needs and to improve programs of instruction for handicapped children and youth in day or residential facilities;".

(c) Section 653(c) of the Education of the Handicapped Act (20 U.S.C. 1453(c)) is amended by striking out "The Secretary shall make an annual" and inserting in lieu thereof "Every three years, the Secretary shall make a".

REPORTS BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

SEC. 206. (a) Section 5(h) of the International Health Research Act of 1960 (22 U.S.C. 2103(h)) is amended by striking out "to the Congress at the beginning of each regular session" and inserting in lieu thereof "biennially to the Congress".

(b) Section 22(f) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 671(f)) is amended by striking out "an annual" and inserting in lieu thereof "a biennial".

(c) Section 301(b)(4) of the Public Health Service Act (42 U.S.C. 241(b)(4)) is amended by—

(1) striking out "an annual" in the matter preceding subparagraph (A) and inserting in lieu thereof "a biennial"; and

(2) striking out "year" in subparagraph (D) and inserting in lieu thereof "previous two-year period".

(d) Section 404(a)(9) of the Public Health Service Act (42 U.S.C. 285(a)(9)) is amended by striking out ", not later than November 30 of each year,".

(e) Section 434(e) of the Public Health Service Act (42 U.S.C. 289c-1(e)) is amended by—

(1) striking out ", as soon as practicable, but not later than sixty days, after the end of each fiscal year," in the first sentence;

(2) striking out "an annual" in the first sentence and inserting in lieu thereof "a biennial"; and

(3) striking out "annual" in the second sentence and inserting in lieu thereof "biennial".

(f) Section 435(b) of the Public Health Service Act (42 U.S.C. 289c-2(b)) is amended by—

(1) striking out "an annual" and inserting in lieu thereof "a biennial"; and

(2) striking out "(on or before November 30 of each year)".

(g) Section 439(e) of the Public Health Service Act (42 U.S.C. 289c-6(e)) is amended by—

(1) striking out "an annual" and inserting in lieu thereof "a biennial"; and

(2) striking out "on or before November 30 of each year".

(h)(1) Section 308(a) of the Age Discrimination Act of 1975 (42 U.S.C. 6106a(a)) is amended by—

(A) striking out "Not later than December 31 of each year (beginning in 1979), the head of each Federal department or agency shall submit to the Secretary of Health and Human Services a report" and inserting in lieu thereof "Not later than December 31 of each year after calendar year 1984 in which the Secretary of Health and Human Services requires a report under this section, the head of each Federal department or agency shall submit to the Secretary of Health and Human Services such report, which shall";

(B) striking out "describing" in clause (1) and inserting in lieu thereof "describe"; and

(C) striking out "containing" in clause (2) and inserting in lieu thereof "contain".

(2) Section 308(b) of such Act (42 U.S.C. 6106a(b)) is amended by striking out "Not later than March 31 of each year (beginning in 1980), the Secretary of Health and Human Services" and inserting in lieu thereof "Not later than March 31 of each year following a year in which the Secretary of Health and Human Services requires reports under subsection (a), the Secretary".

REPORTS BY THE DEPARTMENT OF JUSTICE

SEC. 207. (a) Section 207(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 488(c)) is amended by—

(1) striking out "aggregate amount of the original acquisition cost of such property to the Government and all capital expenditures made by the Government with respect thereto is less than $1,000,000" and inserting in lieu thereof "estimated appraised fair

market value of such property is less than $3,000,000" in paragraph (1); and

(2) striking out "acquisition cost" and inserting in lieu thereof "estimated appraised fair market value" in paragraph (2).

(b) Section 252(i) of the Energy Policy and Conservation Act (42 U.S.C. 6272(i)) is amended—

(1) by striking out "each"; and

(2) by striking out "6 months," and inserting in lieu thereof "other year, on an alternating basis,".

REPORTS BY THE DEPARTMENT OF TRANSPORTATION

SEC. 208. (a) Section 107 of the Federal Aviation Act of 1958 (49 U.S.C. 1307) is amended by—

(1) striking out "each January 31 thereafter" in subsection (b) and inserting in lieu thereof "each June 30 thereafter"; and

(2) striking out "each January 31 thereafter" in subsection (c) and inserting in lieu thereof "each June 30 thereafter".

(b) Section 315(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1356(a)) is amended by striking out "semiannual reports" in the last sentence and inserting in lieu thereof "annual reports".

REPORTS BY THE DEPARTMENT OF THE TREASURY

SEC. 209. (a) Section 201(f) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821(f)) is amended by—

(1) striking out "Secretary of the Treasury, in cooperation with the"; and

(2) striking out the comma after "the Secretary of State".

(b) Section 6103(p)(5) of the Internal Revenue Code of 1954 is amended by striking out "quarter" and inserting in lieu thereof "year".

REPORTS BY THE GENERAL SERVICES ADMINISTRATION

SEC. 210. (a) Section 7(a) of Public Law 90-480 (commonly referred to as the Architectural Barriers Act of 1968) (42 U.S.C. 4157(a)) is amended by—

(1) striking out "during the first week of January of each year" and inserting in lieu thereof "by January 1, 1986, and biennially thereafter,";

(2) striking out "preceding fiscal year" and inserting in lieu thereof "two preceding fiscal years"; and

(3) striking out "such year" and inserting in lieu thereof "such years".

(b) Section 203(j)(4)(E) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(j)(4)(E)) is amended by striking out "$3,000" and inserting in lieu thereof "$5,000".

REPORTS BY THE UNITED STATES MERIT SYSTEMS PROTECTION BOARD

SEC. 211. Section 7701(i)(2) of title 5, United States Code, is amended by striking out "calendar" and inserting in lieu thereof "fiscal".

□ 1215

MOTION OFFERED BY MR. BROOKS

Mr. BROOKS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BROOKS moves to strike out all after the enacting clause of the Senate bill, S. 992, and to insert in lieu thereof the provisions of H.R. 2518, as passed by the House.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Texas [Mr. BROOKS].

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 2518) was laid on the table.

CLARIFYING DEFINITION OF LOCAL SERVICE AREA OF LOW-POWER TELEVISION STATIONS

Mr. KASTENMEIER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3108) to amend title 17, United States Code, to clarify the definition of the local service area of a primary transmitter in the case of a low-power television station.

The Clerk read as follows:

H.R. 3108

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the fourth paragraph of section 111(f) of title 17, United States Code, relating to the definition of local service area of a primary transmitter, is amended by adding after the first sentence the following new sentence: "In the case of a low power television station, as defined by the rules and regulations of the Federal Communications Commission, the 'local service area of a primary transmitter' comprises the area within 35 miles of the transmitter site, except that in the case of such a station located in a standard metropolitan statistical area which has one of the 50 largest populations of all standard metropolitan statistical areas (based on the 1980 decennial census of population taken by the Secretary of Commerce), the number of miles shall be 20 miles.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Wisconsin [Mr. KASTENMEIER] will be recognized for 20 minutes and the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. KASTENMEIER].

Mr. KASTENMEIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today, I bring before the House a bill (H.R. 3108) to cure a definitional problem in the copyright law. The problem involves low-power television, an exciting new service—authorized in 1982 by the Federal Communications Commission—to provide local television service in markets underserved by conventional television.

Current copyright law creates confusion and uncertainty with regard to transmitting local low-power television station signals via cable because the law can be construed as defining such signals as "distant signals" under copyright, subjecting them to royalty fees and limiting the ability of such low-revenue stations to provide television service.

When I first learned of the problem in October 1984 (at the end of the last Congress), I contacted my counterpart chairman on the Senate side (Senator CHARLES MCC. MATHIAS, JR.), and together we wrote to the then-Register of Copyrights, David Ladd, asking that administrative action be taken to resolve the matter.

The Copyright Office responded by expeditiously holding a public hearing; the Office determined that it would henceforth abide by the determination of a cable system as to whether or not a low-power television signal carried by that cable system is a local signal and therefore exempt from the royalty fee. In a letter from General Counsel (Ms. Dorothy Schrader), the Office expressly stated:

That the status of low power television signals under the cable compulsory license is ambiguous. Accordingly, in examining cable Statements of Account, the Copyright Office will not question the determination by a cable system that a low power station's signal is "local" within an area approximating the normal coverage zone of such station.

The Copyright Office further expressed its firm support for legislative clarification of the statutory ambiguity by a technical amendment to the Copyright Act.

H.R. 3108 accomplishes that objective. The bill is in the nature of a technical amendment to section 111(f) to clarify that subsection's definition of "local service area of a primary transmitter" as applied to low-power television.

The existing statutory definition of the "local service area of a primary transmitter" covers those broadcast services in existence in 1976, full-owner domestic TV stations, Canadian and Mexican stations, and radio stations. Because all full-power domestic stations were subject to the mandatory carriage rules, Congress defined the area of local service for copyright purposes in terms of the must-carry area specified in FCC rules.

Parenthetically, today's legislation is not affected by the finding of the D.C. Circuit Court that present must-carry rules are unconstitutional as violative of the first amendment. See Quincy versus Federal Communications Commission. Nor does this legislation affect the outcome of the Quincy decision on appeal.

Because low-power television stations did not exist in 1976 and are not subject to mandatory carriage at all, current law must be clarified to insure that low-power stations are treated in the same manner as full-power domestic and Canadian and Mexican signals with respect to when carriage of those signals will be "local" and royalty-free and when they will be "distant."

To this end, H.R. 3108 modifies section 111(f) to define specifically the "local service area" of low-power television stations in a manner such that cable systems will know with precision when their carriage of such a station

is "local" and when it is "distant." For low-power stations located outside the 50 metropolitan statistical areas with the largest populations based on the 1980 Census, that area would comprise a radius of 35 miles from the low-power station's transmitter site. Therefore, a cable system located within that area may carry that station's signal as a "local" signal without payment of royalties. In heavily populated areas represented by the top 50 metropolitan statistical areas, however, the area of local service would be reduced by 20 miles.

It is believed that the amendment will remove any remaining copyright ambiguities facing cable systems and enable decisions as to whether or not to carry low-power stations on a local basis to be based on what is best for the subscribers and the community served.

The result of this statutory clarification will be increased programming possibilities in under-served small communities, promotion of localism, the freer flow of information and ideas and more satisfied viewers.

H.R. 3108 entails no costs to the Government and the proposed legislation has engendered no known opposition.

I urge an "aye" vote.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to indicate my support for H.R. 3108, which amends section 111(f) of title 17, United States Code, to add a precise definition of the local service area for low-power TV stations which will make it clear that low-power television signals are not "distant" signals for purposes of calculating copyright liability. This change to title 17 is in the nature of a clarifying amendment, and is without opposition.

I would just note that it was the gentleman from Wisconsin [Mr. KASTENMEIER] along with Senator MATHIAS who initially raised this issue on October 1, 1984, in a letter to the then Register of Copyrights David Ladd. The Copyright Office in their reply letter of November 29, 1984, concluded that the status of low-power TV signals under the Copyright Act is ambiguous. The Copyright Office then made the policy decision that they would not question the determination by a cable system that a low-power station's signal is "local" within an area approximating the normal coverage zone of such station.

Accordingly, H.R. 3108 in clarifying the staus of low-power TV signals, would conform existing law to present policy. Specifically, the local service area for a low-power TV station is defined as comprising an area 35 miles from its transmitter site, or in the case of low-power TV stations located within the 50 Metropolitan Statistical Areas with the largest population based on the 1980 census, the area is to be 20 miles from the transmitter site.

This situation surrounding low-power TV is a good example of a copyright question that has arisen from the development of new communications technologies which was not foreseen when the copyright law was rewritten in 1976. I believe that the definition provided for in H.R. 3108 will remove any existing ambiguities as they relate to a cable system's copyright liability for the retransmission of the programming of low-power TV stations and I commend the gentleman from Wisconsin [Mr. KASTENMEIER] for his initiative on this issue. There are no costs associated with H.R. 3108 and I urge its passage.

□ 1225

Mr. KASTENMEIER. Mr. Speaker, I yield myself 3 minutes.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. KASTENMEIER. I yield to the gentleman from Texas.

Mr. GONZALEZ. I thank the gentleman for yielding.

Mr. Speaker, the reason that I rise is that I saw this in the Whip's notice last week. I do not know how it is throughout the country, but I know in my area what we have has been a sell-out of people's access to the airwaves which I thought the original Broadcasting Act of 1934 said it was the people's airwaves.

What it is turning out to be has been anything but the people's airwaves. In this case, I know this is a special category. I do not claim any expertise, but does the gentleman, and I know that the gentleman is looking at it from the copyright duplication standpoint, and I know that this question might be directed to the Committee on Transportation or Energy and the like, but does the gentleman relate this with respect to the low power and the delimitation of the territory to the current controversy with respect to the duplication of programs and the like on the regular cable?

Mr. KASTENMEIER. In answer to the gentleman from Texas, I would say the answer to the gentleman from Wisconsin is no, I do not relate it to that. The gentleman is correct; this is not a policy issue with respect to access or ownership to television programming. What it merely does, solely does, is to enable the low-power stations, which are relatively new, and I think the gentleman would agree, has more of a potential of being a people's station in terms of access, enable those to be carried by cable systems because cable systems would otherwise be told, "Well, those are distant signals," even though the right, let us say, in Behar Country or something, and therefore what would happen is that the cable would say, "Well, no, I will not put you on because I have to pay a very special royalty to put you on even though you are right in this area.

We say that no, those are local signals, you can put those on without paying that royalty. The question of programming or who gets license or what other rules are applied is a policy question which the gentleman alluded to, the Energy and Commerce Committee and the Federal Communications Commission would respond to, I would hope. We are solely interested in the Copyright Act's response to whether or not a type of transmission, new type of transmission, low power, can in fact be carried by cable systems.

Mr. GONZALEZ. I thank the distinguished chairman for a very lucid and full explanation. I would also like to compliment the gentleman in this area which I think the gentleman is quite correct, has the potential for leaving the people a little leeway of access without having to pay a monthly rental as we are now.

Mr. KASTENMEIER. I thank the gentleman from Texas for asking the question.

Mr. Speaker, I reserve the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in further response to the issue that was just raised, under the Copyright Tribunal's rulings, cable company has to pay 3.75 percent of its gross for carrying a distant signal, whether the programming is owned by the motion picture industry or broadcasters or whoever. H.R. 3108 will make it clear what low-power TV programming cable can carry without incurring copyright liability.

We are trying to clarify the existing ambiguity so that it precisely indicates what the intention of our committee was, and that is that cable should not have to pay unless the low-power signals are beyond the ranges that are specifically set forth in this bill.

It is a good piece of legislation. It does not go at the issues that the gentleman was referring to, and I want to commend the chairman of our subcommittee again for working this problem out.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. KASTENMEIER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Wisconsin [Mr. KASTENMEIER] that the House suspend the rules and pass the bill, H.R. 3108.

The question was taken; and (two-thirds having voted in favor thereof)

the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

HORSEPASTURE SCENIC RIVER, NORTH CAROLINA

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2826) to amend the Wild and Scenic Rivers Act by designating a segment of the Horsepasture River in the State of North Carolina as a component of the National Wild and Scenic Rivers System, as amended.

The Clerk read as follows:

H.R. 2826

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF HORSEPASTURE RIVER.

Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by redesignating the paragraphs relating to the Au Sable River, the Tuolumne River, the Illinois River, and the Owyhee River as paragraphs (52) through (55) and by inserting the following new paragraph after paragraph (55) as so redesignated:

(56) HORSEPASTURE, NORTH CAROLINA.—The segment from Bohaynee Road (N.C. 281) downstream approximately 4.25 miles to where the segment ends at Lake Jocassee, to be administered by the Secretary of Agriculture. Notwithstanding any limitation of section 6 of this Act, the Secretary is authorized to utilize the authority of this Act and those pertaining to the National Forests to acquire by purchase with donated or appropriated funds, donation, exchange or otherwise, such non-Federal lands or interests in lands within, near, or adjacent to the designated segments of the river which the Secretary determines will protect or enhance the scenic and natural values of the river.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from North Carolina [Mr. HENDON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2826 was introduced by our colleague on the subcommittee, BILL HENDON, and would amend the Wild and Scenic Rivers Act by designating a 4¼-mile segment of the Horsepasture River in the State of North Carolina as a component of the National Wild and Scenic River System.

The Horsepasture River is located within the boundary of the Nantahala National Forest in the State of North Carolina. The segment of the Horsepasture River proposed for inclusion in the National Wild and Scenic River System drops 1,700 feet in 4 miles off the Blue Ridge escarpment in western North Carolina, just north of the South Carolina line. In this short distance there are five magnificent waterfalls. Large numbers of visitors come every week to visit and enjoy the river. Several unusual species of rhododendron grow in profusion in the gorge. The lower part of the gorge, which contains virgin timber, has been designated as a Society of American Foresters Natural Area and as a North Carolina Natural Heritage Area.

Mr. Speaker, I urge passage of H.R. 2826.

Mr. Speaker, I reserve the balance of my time.

Mr. HENDON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2826, a bill I have introduced to include the Horsepasture River as a component of the National Wild and Scenic River System.

As my chairman said, the Horsepasture River, truly one of the most magnificent rivers in America, is located within the boundaries of the Nantahala National Forest in western North Carolina, in my congressional district. It is a 4.2-mile segment. It drops, as the chairman said, 1,700 feet in just 4.25 miles.

It is important to note that this segment has been threatened by a hydroelectric power project, and it is imperative that we save it from such a tragic fate by passing this very important piece of legislation.

Mr. Speaker, there is no controversy, either here or in North Carolina whatsoever, so I will take no additional time. In closing, I must tell my colleagues of the outstanding job that Subcommittee Chairman VENTO has done in supporting this legislation.

I thank him and I congratulate him.

□ 1235

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. HENDON. I am happy to yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I want to thank the gentleman from North Carolina for his comments. Really it has been good to work with the gentleman from North Carolina in accomplishing this. He has been a gentleman throughout, and I appreciate his support.

Mr. HENDON. Mr. Speaker, I appreciate the gentleman's kind remarks, and I also wish to thank our ranking minority member of the subcommittee, the gentleman from California [Mr. LAGOMARSINO], for his fine assistance.

Mr. Speaker, I urge that the House suspend the rules and pass H.R. 2826.

Mr. LAGOMARSINO. Mr. Speaker, I rise in strong support of H.R. 2826.

This legislation would designate a 4.2-mile segment of the Horsepasture River in North Carolina as a component of the National Wild and Scenic Rivers System. There is no doubt, Mr. Speaker, that this stretch of the river qualifies for wild and scenic designation. Within this magnificent segment, the river falls over 1,200 feet down five spectacular waterfalls. Very few rivers could claim so many or such different falls within such a short stretch. In addition to its scenic values, the river is the home of numerous species of unique plants, fish, and wildlife. It also provides outstanding recreational opportunities for large numbers of visitors year-round.

During the 98th Congress, legislation was enacted to include this segment of the Horsepasture River as a wild and scenic study river. In addition, the State of North Carolina included the segment in the State natural and rivers system.

I would like to commend the gentleman from North Carolina [Mr. HENDON] for his outstanding work to protect this exceptional resource. His efforts will allow Americans to continue to enjoy the scenic and recreational values of the Horsepasture River as well as preserve it for the enjoyment of future generations. I would also like to commend the subcommittee chairman, Mr. VENTO, for moving this important legislation forward.

In closing, I strongly urge all of my colleagues to support H.R. 2826.

Mr. HENDON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 2826, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on H.R. 2826, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

BIG CYPRESS NATIONAL PRESERVE ADDITION ACT

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4090) to establish the Big Cypress National Preserve Addition in the State of Florida, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4090

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the "Big Cypress National Preserve Addition Act".

(b) AMENDMENT OF BIG CYPRESS NATIONAL PRESERVE ACT.—Whenever in this Act an amendment is expressed in terms of an amendment to the Act of October 11, 1974, such amendment shall be considered to be made to the Act entitled "An Act to establish the Big Cypress National Preserve in the State of Florida, and for other purposes", approved October 11, 1974 (88 Stat. 1258; 16 U.S.C. 698f and following).

SEC. 2. FINDING AND PURPOSE.

(a) FINDINGS.—The Congress finds that:

(1) The planned construction of Interstate 75 is presently being designed in such a way as to improve the natural water flow to the Everglades National Park, which has been disrupted by State Road 84 (commonly known as "Alligator Alley").

(2) The planned construction of Interstate 75 provides an opportunity to enhance protection of the Everglades National Park, to promote protection of the endangered Florida panther, and to provide for public recreational use and enjoyment of public lands by expanding the Big Cypress National Preserve to include those lands adjacent to Interstate 75 in Collier County north and east of the Big Cypress National Preserve, west of the Broward County line, and south of the Hendry County line.

(3) The Federal acquisition of lands bordering the Big Cypress National Preserve in conjunction with the construction of Interstate 75 would provide significant public benefits by limiting development pressure on lands which are important both in terms of fish and wildlife habitat supporting endangered species and of wetlands which are the headwaters of the Big Cypress National Preserve.

(4) Public ownership of lands adjacent to the Big Cypress National Preserve would enhance the protection of the Everglades National Park while providing recreational opportunities and other public uses currently offered by the Big Cypress National Preserve.

(b) PURPOSE.—It is the purpose of this Act to establish the Big Cypress National Preserve Addition.

SEC. 3. ESTABLISHMENT AND ADMINISTRATION OF ADDITION.

(a) ADDITION.—The Act of October 11, 1974, is amended by adding at the end thereof the following section:

"SEC. 9. BIG CYPRESS NATIONAL PRESERVE ADDITION.

"(a) ESTABLISHMENT.—In order to—

"(1) achieve the purposes of the first section of this Act;

"(2) complete the preserve in conjunction with the planned construction of Interstate Highway 75; and

"(3) insure appropriately managed use and access to the Big Cypress Watershed in the State of Florida, the Big Cypress National Preserve Addition is established.

"(b) MAP AND BOUNDARIES.—The Big Cypress National Preserve Addition (referred to in this Act as the 'Addition') shall comprise approximately 136,000 acres as generally depicted on the map entitled Big Cypress National Preserve Addition, dated June, 1986, and numbered 176-91000B, which shall be on file and available for public inspection in the Office of the National Park Service, Department of the Interior, Washington, D.C., and shall be filed with appropriate offices of Collier County in the State of Florida. The Secretary shall, as soon as practicable, publish a detailed description of the boundaries of the Addition in the Federal Register.

"(c) ADMINISTRATION.—The area within the boundaries depicted on the map referred to in subsection (b) shall be known as the Big Cypress National Preserve Addition and shall be managed in accordance with section 4.

"(d) COMPLETION OF ACQUISITION.—For purposes of administering the Addition and notwithstanding section 2(c), it is the express intent of the Congress that the Secretary should substantially complete the land acquisition program contemplated with respect to the Addition within 5 years after the enactment of this section.".

(b) HUNTING, FISHING, AND TRAPPING.—Section 5 of the Act of October 11, 1974, is amended by inserting "and the Addition" after "preserve" each place it appears.

(c) SUITABILITY AS WILDERNESS.—Section 7 of the Act of October 11, 1974, is amended—

(1) by inserting "with respect to the preserve and 5 years from the date of the enactment of the Big Cypress National Preserve Addition Act with respect to the Addition" after "date of the enactment of this Act" in the first sentence; and

(2) by inserting "or the area within the Addition (as the case may be)" after "preserve" each place it appears.

(d) INDIAN RIGHTS.—Section 6 of the Act of October 11, 1974, is amended as follows:

(1) In clause (i) insert "and the Addition" after "preserve" and insert "(January 1, 1985, in the case of the Addition)" after "1972".

(2) In clause (ii) insert "or within the Addition" after "preserve".

SEC. 4. ACQUISITION OF LAND WITHIN ADDITION.

(a) UNITED STATES SHARE OF ACQUISITION COSTS.—The first section of the Act of October 11, 1974, is amended by adding at the end thereof the following new subsection:

"(d)(1) The aggregate cost to the United States of acquiring lands within the Addition may not exceed 80 percent of the total cost of such lands.

"(2) Except as provided in paragraph (3), if the State of Florida transfer to the Secretary lands within the Addition, the Secretary shall pay to or reimburse the State of Florida (out of funds appropriated for such purpose) an amount equal to 80 percent of the total costs to the State of Florida of acquiring such lands.

"(3) The amount described in paragraph (2) shall be reduced by an amount equal to 20 percent of the amount of the total cost incurred by the Secretary in acquiring lands in the Addition other than from the State of Florida.

"(4) For the purposes of this subsection, the term 'total cost' means that amount of the total acquisition costs (including the value of exchanged or donated lands) less the amount of the costs incurred by the Federal Highway Administration and the Florida Department of Transportation, including severance damages paid to private property owners as a result of the construction of Interstate 75.".

(b) METHODS OF LAND ACQUISITION IN THE ADDITION.—The first sentence of subsection (c) of the first section of the Act of October 11, 1974, is amended—

(1) by inserting "or the Addition" after "preserve" the first place it appears; and

(2) in the first proviso—

(A) by inserting "in the preserve" after "subdivisions,"; and

(B) by striking out the colon and inserting in lieu thereof "and, any land acquired by the State of Florida, or any of its subdivisions, in the Addition shall be acquired in accordance with subsection (d):".

(c) VALUATION AND APPRAISAL.—The fourth sentence of subsection (c) of such section is amended by inserting "or the Addition" after "preserve" each place it appears.

(d) ACQUISITION OF PROPERTY RIGHTS BY THE STATE OF FLORIDA.—Subsection (c) of such section is amended by adding at the end thereof the following: "Nothing in this Act shall be construed to interfere with the right of the State of Florida to acquire such property rights as may be necessary for Interstate 75.".

(e) EXCLUSION OF SUBSURFACE ESTATE.—The second and third sentences of subsection (c) of such section are each amended by inserting "and the Addition" after "preserve" each place it appears.

(f) IMPROVED PROPERTY IN ADDITION.—Section 3(B) of the Act of October 11, 1974, is amended—

(1) in paragraph (i) by inserting "with respect to the preserve and January 1, 1986, with respect to the Addition" after "November 23, 1971,"; and

(2) in paragraph (ii)—

(A) by inserting "with respect to the preserve and January 1, 1986, with respect to the Addition" after "November 23, 1971," the first place it appears; and

(B) by inserting "or January 1, 1986, as the case may be," after "November 23, 1971" the second and third places it appears.

SEC. 5. COOPERATION AMONG AGENCIES.

The Act of October 11, 1974, is further amended by adding at the end thereof the following new section:

"SEC. 10. COOPERATION AMONG AGENCIES.

"The Secretary and other involved Federal agencies shall cooperate with the State of Florida to establish recreational access points and roads, rest and recreation areas, appropriate wildlife protection, and, where appropriate, hunting, fishing, frogging, and other recreational opportunities in conjunction with the creation of the Addition and in the construction of Interstate Highway 75. Not more than 3 of such access points shall be located within the preserve (including the Addition).".

SEC. 6. REPORT TO CONGRESS.

The Act of October 11, 1974, is further amended by adding at the end thereof the following new section:

"SEC. 11. REPORT TO CONGRESS.

"Not later than 3 years after the enactment of this section, the Secretary shall submit to the Congress a detailed report on, and further plan for, the preserve and Addition. The report and further plan shall include each of the following:

"(1) The status of the existing preserve, the effectiveness of past regulation and management of the preserve, and recommendations for future management of the preserve and the Addition.

"(2) The need for involvement of other Federal and State agencies to accomplish the objectives of the preserve and Addition.

"(3) The status of land acquisition.

"(4) A determination, made in conjunction with the State of Florida, of the adequacy of the number, location, and design of the recreational access points on Interstate 75 (Alligator Alley) for access to the Big Cypress National Preserve, including the Addition.

The determination referred to in paragraph (4) shall incorporate the results of any related studies of the State of Florida Department of Transportation and other Florida State agencies. Any recommendation for significant changes in the approved recreational access points, including any proposed additions, shall be accompanied by an assessment of the environmental impact of such changes.".

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

Section 8 of the Act of October 11, 1974, is amended—

(1) by striking out "There" in the first sentence and inserting in lieu thereof "(a) IN GENERAL.—Except as provided in subsection (b), there"; and

(2) by adding at the end thereof the following new subsection:

"(b) ADDITION.—There are authorized to be appropriated such sums as may be necessary for acquisition of lands and for development within the Addition.".

The SPEAKER pro tempore. Is a second demanded?

Mr. HENDON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from North Carolina [Mr. HENDON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the measure presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4090 was introduced by our colleague, TOM LEWIS, and is supported by the entire Florida delegation. The bill would modify the boundary of the Big Cypress National Preserve to add some lands to the preserve.

Big Cypress Preserve was established by Public Law 93-440 in 1974. The preserve contains about 575,000 acres within the boundaries and is typical of the marshlands of southern Florida. The preserve abuts Everglades National Park in the north, and is an extension of the unique ecosystem of the Everglades containing large numbers of plant and animal species found nowhere else in North America, including 21 rare or endangered species.

This area is bisected by "Alligator Alley," a State highway that runs from Fort Lauderdale to Naples across the southern tip of Florida. This highway is in the process of being upgraded to become a section of Interstate 75. During the process of that conversion, funds provided through the highway trust fund will be used to pay some 60 percent, the value of the surface rights for 88,000 acres of the proposed addition to the preserve. H.R. 4090 would provide that the remaining 40 percent would be provided by the Federal Government, 80 percent, and the State of Florida, 20 percent. This timely coordination between Federal program execution in cooperation with the State of Florida and the landowners would result in full protection for an important area at a great savings to the taxpayers. The remaining 48,000 acres would be acquired by Federal, 80 percent, and State, 20 percent, funding.

The 136,000 acres added to the preserve by H.R. 4090 would be managed in the same manner as the existing preserve to provide for protection of this unique North American ecosystem and to provide for recreation use, including fishing and hunting. Subsurface rights would be retained by private owners and exploration and development of any mineral or oil and gas would be permitted under the same authorities and in the same manner as provided in the 1974 act establishing the Big Cypress Preserve.

Mr. Speaker, I wish to commend our colleague, TOM LEWIS, for his work on this bill. His knowledge of the area, his understanding of its great importance to the entire south Florida ecosystem and efforts in persuading his colleagues of the need to protect this resource has been crucial to our success in bringing this bill to the floor today. I am also indebted to Gov. Bob Graham and his staff for all of their efforts and for the strong support of Governor Graham in working the many complicated aspects of this bill.

Mr. Speaker, I urge all of my colleagues to support this bill.

Mr. HENDON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4090. As the chairman of the subcommittee has explained, this legislation would authorize the expansion of the Big Cypress National Preserve located in Florida.

Due to the unique approach embodied in H.R. 4090, the Federal Government will be able to acquire the land addition without paying full cost. More importantly, acquisition will preserve the wetland areas which are so critical as habitat for fish and wildlife, particularly the endangered Florida panther.

I want to commend the bill's sponsor, our colleague from Florida (Mr. LEWIS) for his hard work and diligence on this legislation. I would also like to commend the subcommittee chairman, Mr. VENTO, for moving this important bill forward. I believe this is an outstanding piece of legislation and I urge all of my colleagues to support and vote for H.R. 4090.

Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. Mr. Speaker, I rise in support of H.R. 4090.

Mr. Speaker, as the gentleman from North Carolina has brought out, we have a great opportunity today to support H.R. 4090, the Big Cypress National Preserve Addition. This important legislation is cosponsored by the entire Florida delegation and has received widespread praise and broad, bipartisan support.

H.R. 4090 provides a unique opportunity to acquire and protect land in southwest Florida of unquestioned importance and beauty for an important addition to the Big Cypress National Preserve.

This area is undoubtedly worth preserving and enhancing for its unique and wild beauty; however, make no mistake. It must be protected because it forms the water supply system for well over 4.5 million south Florida residents.

Because of the significant public benefit associated with the acquisition of this land, I, my Florida colleagues and members of the Interior Committee believe this is a task worthy of congressional attention. Therefore, I urge passage of H.R. 4090, the Big Cypress National Preserve Addition.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of H.R. 4090, to authorize a significant addition to the Big Cypress National Preserve in southern Florida.

This legislation provides us with a unique opportunity to acquire and protect this important addition, without paying full value for the land. Due to the proposed conversion of Alligator Alley to Interstate 75 later this year, highway severance funds can be utilized to pay a major portion of the acquisition costs. The additional expenditures would be cost-shared by the Federal and State governments, 80 percent and 20 percent, respectively.

Acquisition of this area will preserve the wetland areas which serve as important fish and wildlife habitat and also as recharge sources for southern Florida's water supply. Expansion of the preserve will also result in significant public benefits since the bill allows the same multiple uses of the addition which are currently permitted in the preserve, including hunting, fishing, and trapping. Large numbers of sportsmen from across the country have enjoyed these activities within the preserve for many years and will now have the benefit of an expanded area. Mineral exploration and development, which is currently per-

mitted in the preserve, would also be allowed in the addition since only the surface rights would be acquired under the bill's provisions. I believe that all of these uses can successfully go hand in hand with recreation and preservation and strongly feel they should be continued in the future. In order to allow the necessary access to the preserve addition for the public's use, the bill allows for the establishment of three recreational access points along Interstate 75 within the boundaries of the preserve and addition.

H.R. 4090 also requires the Secretary to submit to Congress within 3 years after the bill's enactment, a detailed report on the Big Cypress Preserve and addition including management recommendations, a public use summary, the status of land acquisition, and recommendations on recreational access points. This information will enable Congress to review the management of, and activities within, the preserve in the future and make any necessary changes or improvements.

During subcommittee action on the bill, an amendment was approved which adds an additional 10,000 acres, known as the Fakahatchee Strip, to the preserve addition. I believe this strip of land, which has been recommended for acquisition by the U.S. Fish and Wildlife Service as key habitat for the endangered Florida panther, will prove to be a significant part of the preserve addition.

I would like to commend the bill's sponsor, the gentleman from Florida [Mr. LEWIS] for his outstanding efforts and diligence in pursuing passage of this bill. I believe he has put together an excellent piece of legislation for which I am pleased to lend my strong support. I would also like to commend the subcommittee chairman, Mr. VENTO, for his work on this legislation.

H.R. 4090 has received widespread praise and broad, bipartisan support as an important expansion of an area critical to the Florida Everglades ecosystem. Therefore, I urge all of my colleagues to support and vote for this legislation.

Mr. MACK. Mr. Speaker, I am pleased to lend my support to the legislation pending before us, H.R. 4090, introduced by my good friend from Florida, Mr. TOM LEWIS. This bill seeks to acquire and protect additional acreage for the Big Cypress National Preserve, a major land area in Florida that has profound importance as a watershed, wildlife habitat, and recreational resource.

This legislation offers a unique opportunity to accomplish a number of important objectives with one stroke. The innovative feature of the bill would use Federal highway money which would normally fund right-of-way severence damages for the conversion of "Alligator Alley" to Interstate 75 for the outright purchase of the surrounding land. Thus, a much needed upgrading of this highway to interstate standards, including improvements in the roadway's compatability with the wetland environment, can be accomplished at the same time that additional acreage in Big Cypress is given Federal protection. Highway severance money will provide 60 percent of the funding needed to purchase the needed acreage. For the remaining balance, the State of Florida will provide 20-percent funding, while the Federal Government's 80 percent can be handled as an outright purchase or by a land exchange agreement.

The bill provides for protection under the public domain of 136,000 acres in one of Florida's last large parcels of pristine land. This valuable area, which includes wetlands, cypress swamps and hardwood hammocks, is a crucial component of the water system of the Florida Everglades, which has experienced severe water related damage in the last decade. Not only does this system feed the aquatic life of the Everglades, but it provides for the recharging of ground water that supplies an ever growing population and economy in south Florida. The area sustains a wide variety of wild plant and animal life, including the Florida panther, the bald eagle, native orchids, and other endangered species.

I believe that for the protection of these unique resources which are true national treasures, the preservation of adequate water supplies for millions of south Floridians, and the improvement of our transportation infrastructure, H.R. 4090 deserves the support of this body.

Mr. YOUNG of Florida. Mr. Speaker, I rise in strong support of H.R. 4090, legislation to provide for the addition of land to Florida's Big Cypress National Preserve.

My colleague from Florida, Mr. LEWIS, is to be commended for his leadership in sponsoring this legislation and working with the Interior and Insular Affairs Committee to hold hearings and to make it possible for us to consider this matter here today. As I said in my testimony to the committee on May 13, H.R. 4090 has the strong, bipartisan support of our entire delegation. We recognize that the addition of land to the Big Cypress National Preserve will provide important environmental protection to some of Florida's most beautiful and unique park land at a significant savings to the American taxpayers.

The addition of 136,000 acres to the preserve will expand the protected natural habitat for endangered wildlife native to the area. The preserve is home to many plants and animals that are found nowhere else in North America, including 21 rare or endangered species such as orchids, bald eagles, and Florida panthers. The Federal land acquisition authorized by this legislation would enable the National Park Service to supplement ongoing programs in the area to further protect these rare and threatened species.

The additional preserve area also would provide important recreational areas and opportunities for our residents. Park land is rapidly being crowded out in other parts of the State by our growing population and expanding urban areas.

Another environmental factor in this matter is the significant impact the Big Cypress National Preserve has on the water supply for the Everglades National Park. Allegator Alley, the highway which cuts through the Big Cypress Area has disrupted the natural water flow to the Everglades, a 1.3-million-acre park that is one of our Nation's most delicately balanced ecosystems. The public acquisition of additional land for the Big Cypress National Preserve will prevent future development of the area and enable the implementation of new and more effective water management methods, along with the construction of I–75 through the area, to enhance water flow to the Everglades and reduce future environmental threats to the region.

Finally, the purchase of additional acreage for the preserve in conjunction with severance proceedings for the Alligator Alley—I–75 conversion will enable the Federal Government to acquire this land at a significantly lower cost than otherwise might be possible. The committee is to be commended for acting on this legislation in such an expedient manner. Such action is critical if we are to take advantage of this unique opportunity to acquire new Federal lands at a savings to the American taxpayers.

Mr. Speaker, I strongly support H.R. 4090 because it provides for our State's and our Nation's critical environmental needs while at the same time ensuring the efficient allocation of Federal resources.

Mr. HENDON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 4090, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EL MALPAIS NATIONAL MONUMENT IN NEW MEXICO

Mr. SEIBERLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3684) to designate the El Malpais lava flow and adjacent public lands as a National Monument to be managed by the Bureau of Land Management, as amended.

The Clerk read as follows:

H.R. 3684

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF AN EL MALPAIS NATIONAL MONUMENT.

(a) ESTABLISHMENT.—In order to protect the unique and nationally important archeological, geologial, scenic, scientific, ecological, cultural, and wilderness resources of the El Malpais lava flow and adacent public lands, there is hereby established the El Malpais National Monument (hereinafter in this Act referred to as the "Monument").

(b) AREAS INCLUDED.—The Monument shall include those lands in New Mexico within the Albuquerque District of the Bureau of Land Management, which comprise approximately 373,000 acres, as generally depicted on a map entitled "El Malpais National Monument—Proposed", and dated May 1986. Such map shall be on file and available for public inspection in the Offices of the Bureau of Land Management, Department of the Interior.

SEC. 2. ADMINISTRATION.

(a) GENERAL AUTHORITIES.—The Secretary of the Interior (hereafter in this Act re-

ferred to as the "Secretary") shall manage the Monument as a separate unit within the boundary of the Albuquerque District of the Bureau of Land Management in accordance with this Act and in accordance with the laws pertaining to the public lands managed by the Bureau, including those pertaining to grazing on the pubic lands.

(b) SPECIFIC AUTHORITIES.—

(1) The Secretary shall manage the Monument in a manner that will protect the archeological, scenic, scientific, geologic, ecologic, cultural, and wilderness resources and values of the Monument, and to provide for public education about those resources and values.

(2) The Secretary shall provide for recreational use of the Monument and shall provide recreational and interpretive facilities for the use of the public which are compatible with the provisions of this Act. The Secretary may assist adjacent affected local governmental agencies in the development of related interpretative programs.

(3) The Secretary shall permit the full use of the Monument for scientific study and research, except that the Secretary may impose such restrictions as may be necessary to prevent degradation of the archeological, geological, scenic, scientific, ecological, cultural, and wilderness resources of the Monument.

(c) WITHDRAWALS.—Subject to valid existing rights, all Federal lands within the Monument, and all Federal lands and mineral rights acquired within the Monument, are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws, and from location, entry, and patent under the United States mining laws, and from disposition under all laws pertaining to mineral and geothermal leasing and all amendments thereto. Any activity carried out pursuant to valid existing mineral rights shall be conducted in accordance with applicable Federal and State law.

(d) HUNTING.—The Secretary shall permit hunting and trapping within the Monument in accordance with applicable Federal and State law. The Secretary may designate zones within the Monument where, and establish periods when, such activities will not be permitted for reasons of public safety, administration, the protection of resources, or public use and enjoyment. Except in emergencies, any regulations issued by the Secretary under this subsection shall be put into effect only after consultation with the appropriate State agencies responsible for hunting activities.

(e) WOOD GATHERING.—Collection of green or dead wood for sale or other commercial purposes shall not be permitted in the monument.

(f) MANAGEMENT PLAN.—Within 6 months after the date of enactment of this Act, the Secretary shall complete a management plan for the Monument, as part of the Secretary's responsibility for planning the uses of the public lands under section 202 of the Federal Land Management and Policy Act of 1976 (43 U.S.C. 1701 and following). Such plan shall include but not be limited to each of the following:

(1) Implementation plans for a continuing program of public education about the resources and values of the El Malpais area.

(2) Measures for the preservation of the natural, archeological, and cultural resources of the Monument. These measures shall include provision for adequate law enforcement to protect such resources.

(3) A schedule for the prompt completion of a detailed archeological and cultural resources management plan. The Secretary shall provide for full public participation in the formulation of such plan. The archeological and cultural resources management plan shall meet each of the following requirements:

(A) The plan shall provide for the protection of significant cultural resources, including protection from vandalism and looting, as well as destruction from natural deterioration.

(B) The plan shall be based on adequate inventory of archeological sites, prepared in accordance with the Secretary's standards and guidelines for archeology and historic preservation and shall include provision for continuing inventory and recordation of archeological sites.

(C) The plan shall include a public interpretation program.

(D) The plan shall comply with all Federal and State historic and cultural presrvation statutes, regulations, guidelines, and standards, including the Archeological Resources Protection Act of 1979 and the National Historic Preservation Act.

(E) The plan shall be prepared in close consultation with the Advisory Council on Historic Preservation, the New Mexico State Historic Preservation Office, and the Pueblo of Acoma and their traditional cultural and religious authorities.

(F) The plan shall provide for long-term scientific use of archeological resources in the Monument and within the wilderness areas designated in the Monument by this Act.

(g) COOPERATIVE AGREEMENT.—The Secretary shall take such steps as may be necessary to direct the National Park Service to enter into a cooperative agreement with the Bureau of Land Management to provide for the utilization of the expertise of the Park Service in cultural and archeological preservation and the management of cultural and archeological resources, for the purposes of developing a cultural resource management plan pursuant to subsection (c), for the effective implementation of that plan, and to insure close coordination with the Park Service's other efforts to protect and interpret Chacoan cultural sites in the Southwest.

SEC. 3. AUTHORIZATION FOR A VISITOR CENTER.

The Secretary is authorized to construct a visitor center in the Monument for the purposes of providing information through appropriate displays, printed material, and other interpretive programs, about the archeological, cultural, and natural resources of the Monument, and for the effective management of the cultural, archeological, and natural resources of the Monument.

SEC. 4. AUTHORIZATION FOR APPROPRIATIONS.

Effective for fiscal years beginning after September 30, 1986, there are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

SEC. 5. ACQUISITION OF INHOLDINGS.

The Secretary is authorized to acquire all lands and interests therein, including mineral rights, within the boundary of the Monument by donation, exchange, or purchase with donated or appropriated funds. In exercising this authority, the Secretary shall use existing exchange authority to the greatest extent practicable prior to purchase of any inholdings. Any purchase or exchange within the boundaries of the wilderness area designated by this Act shall require the consent of the owner of those lands or rights. The Secretary may add to the Monument any private or State lands adjacent to the Monument which the Secretary acquires with the consent of the landowner.

SEC. 6. TRADITIONAL NATIVE AMERICAN USES.

In recognition of the past use of the Monument by Indian people for traditional cultural, and religious purposes, the Secretary shall insure nonexclusive access to Monument lands by Indian people for such traditional, cultural, and religious purposes, including the harvest of pine nuts. Such direction shall be consistent with the purpose and intent of the American Indian Religious Freedom Act of August 11, 1978 (42 U.S.C. 1996). As a part of the plan prepared pursuant to section 2(e)(3) of this Act, the Secretary shall, in consultation with appropriate Indian tribes and their traditional cultural and religious authorities, define the past cultural and religious uses of the Monument by Indians.

SEC. 7. WILDERNESS.

(a) DESIGNATION.—In furtherance of the purposes of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1131), certain lands within the boundary of the El Malpais National Monument, comprising approximately 179,000 acres, as generally depicted on a map entitled "El Mapais Wilderness—Proposed", dated may 1986, and which shall be known as the El Malpais Wilderness, are hereby designated as wilderness, and, therefore, as components of the National Wilderness Preservation System.

(b) ADMINISTRATION.—Subject to valid existing rights, each wilderness area designated under this section shall be administered by the Secretary in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act (or any similar reference) shall be deemed to be a reference to the date of enactment of this Act, and any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary of the Interior.

(c) MAP AND DESIGNATION.—As soon as is practicable after enactment of this Act, a map and a legal description of each wilderness area designated by this Act shall be filed by the Secretary with the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and National Resources of the United States Senate. Each such map shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in each such legal descriptions and map may be made by the Secretary subsequent to such filings. Each such map and legal description shall be on file and available for public inspection in the Office of the Director of the Bureau of Land Management, Department of Interior.

(d) GRAZING.—Within the wilderness areas designated by this Act, the grazing of livestock, where established prior to the enactment of this Act, shall be permitted to continue subject to such reasonable regulations, policies, and practices as the Secretary deems necessary, as long as such regulations, policies, and practices fully conform with and implement the intent of Congress regarding grazing in such areas as such intent is expressed in the Wilderness Act and section 108 of Public Law 96-560 (16 U.S.C. 1133 note).

SEC. 8 LAND EXCHANGE.

(a) EXCHANGE.—The Secretary of the Interior shall exchange such public lands or interests in lands, as are of approximately equal value and selected by the State of

New Mexico, acting through its Commissioner of Public Lands, for any State lands or interests therein located within the boundaries of the monument.

(b) NOTICE.—Within 6 months after enactment of this Act, the Secretary of the Interior shall notify the New Mexico Commissioner of Public Lands what State lands or interests therein are within the monument designated by this Act. The notice shall include notice of the Secretary's duty to exchange public lands selected by the State for any State land contained within the boundaries of the monument areas. The notice shall contain a listing of all public lands within the boundaries of the State, which have not been withdrawn from entry and which the Secretary identifies as available to the State in exchange for State lands within the monument.

(c) DISAGREEMENTS REGARDING VALUE.—After the receipt of the list of available public lands, if the Commissioner of Public Lands gives notice to the Secretary of the State's selection of lands, the Secretary shall notify the State in writing as to whether the Department of the Interior considers the State and Federal lands to be of approximately equal value. In case of disagreement between the Secretary and the Commissioner as to relative value of the acquired and selected lands, the Secretary and the Commissioner shall agree on the appointment of a disinterested independent appraiser who will review valuation data presented by both parties and determine the amount of selected land which best represents appropriate equal value. Such determination will be binding on the Secretary and the Commissioner. The transfer to title lands or interests therein to the State of New Mexico shall be completed within 2 years after the enactment of this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. HENDON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. SEIBERLING] will be recognized for 20 minutes and the gentleman from North Carolina [Mr. HENDON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3684 would designate a national monument on lands near Grants, NM. The monument would include approximately 373,000 acres. This land would continue to be managed by the Bureau of Land Management, but with statutory recognition of its nationally important archeological and geologic significance and statutory direction to protect those values.

The lands proposed for designation as a national monument in H.R. 3684 have been long recognized as being of national importance. They are a textbook display of the volcanic forces that shaped much of the West, and the size and combination of the volcanic features here are truly spectacular and awe-inspiring. Those features include huge, complex lava flows; cinder cones; spatter cones; lava tubes, and lava caves.

They also contain an incredible wealth of archeological resources—literally thousands of sites, spanning thousands of years of prehistoric cultures that inhabited this area.

This area also contains an important wilderness resource. Within the monument is the largest single block of BLM public lands qualified for wilderness in New Mexico. This bill would designate 179,000 acres of that as part of the National Wilderness Preservation System.

Mr. Speaker, we held a field hearing in Grants, NM, last March. At that hearing, we heard what was, to my experience, an unprecedented degree of consensus in support of this legislation. The bill was strongly supported by Governor Anaya, by the State legislators from the area, by county and city officials, and by many local people. Our committee has used the input from that hearing, a hearing we had in Washington, and continued dialog with concerned parties to refine this bill, to clarify it, and to take into account the concerns of some local interests.

Before I yield the floor, Mr. Speaker, I want to commend our colleague, BILL RICHARDSON, who serves so ably on the Interior Committee, and who represents the area affected by this bill. BILL RICHARDSON introduced this legislation, and it was he who urged our subcommittee to visit the area and to move this legislation forward. I want to thank him for his initiative on this proposal, and would like to yield to him as much of my remaining time as he may consume.

□ 1245

Mr. Speaker, I yield such time as he may consume to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, the El Malpais National Monument bill is extremely important to the people of my district and has the support of a broad coalition of local citizens, the local and State governments and national environmental organizations. The legislation is designed to protect a sensitive and unique environmental area in my district that contains some of the best examples of volcanic landscape in the continental United States and to stimulate tourism-related development in an area of New Mexico whose economy has been hard hit by the decline of our domestic mining industries.

My bill would designate a national monument on BLM lands and designate wilderness within that monument. The national monument designation will give this area the national status that its important resources deserve. It will help focus the BLM's efforts on protecting this area, as it has for the three national monuments currently managed by the U.S. Forest Service. It will help tremendously in promoting the public use and enjoyment of the area. Mr. Speaker, the House Appropriations Subcommittee on Interior has earmarked $250,000 in the fiscal year 1987 appropriations bill to go toward the planning and development of interpretative center and visitor facilities in the El Malpais area.

Mr. Speaker, we have worked hard to ensure that the El Malpais National Monument bill is sensitive to the current land use needs of the area. We have modified the bill in response to constructive suggestions from the Bureau of Land Management—including the deletion of 12,000 acres from wilderness designation status. These changes delete several areas with ranching facilities and private lands, and removes one area of particular archeological significance to enable more intensive interpretative facilities. In addition, in response to the particular concerns of the Acoma Pueblo, I have deleted deeded lands belonging to the Pueblo from national monument status and included them in BLM's overall planning process. Further, existing livestock grazing is allowed to continue as well as hunting and trapping. Studies by the State of New Mexico and by the U.S. Geological Survey found no significant mineral resource potential in El Malpais.

Mr. Speaker, additional protections for archeological and cultural resources have been crafted into the bill and include suggestions made by New Mexico's Historic Preservation Office and suggestions from other cultural resource authorities. Improvements in the bill require a continuing inventory of cultural sites and provide for the continuing scientific use of archeological resources in the national monument and its wilderness areas.

Mr. Speaker, the El Malpais lava flow is truly deserving of national protection. Some of the most outstanding examples of volcanic landscapes in the world will receive permanent protection and the legislation will stimulate tourism-related development in an area of New Mexico that has been suffering the adverse effects of the decline of our domestic mining industries. Mr. Speaker, I would greatly appreciate the bipartisan support of my colleagues today for the El Malpais National Monument bill—legislation that is of extreme importance to the people of the Third Congressional District of New Mexico.

Mr. HENDON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to commend my friend, the gentleman from New Mexico [Mr. RICHARDSON]. He is a

great legislator. He has done a great job on this bill.

Mr. Speaker, H.R. 3684 is a bill to designate 373,000 acres in west-central New Mexico as the El Malpais National Monument. Contained within the monument will be 179,000 acres of wilderness.

It is my understanding that the Bureau of Land Management strongly opposes the bill. In particular, they object to the designation of the area as a national monument and they object to the amount of wilderness. They argue that the national monument designation is used primarily by the Park Service and should remain so. With regard to the wilderness, their draft EIS for the area recommends 145,000 acres, or approximately 34,000 acres less than the bill proposes. They have also stated a desire to avoid handling the BLM wilderness designations in a piecemeal fashion.

Despite these legitimate concerns, the bill was reported by the full Interior Committee by a voice vote. I believe the lack of opposition is based on the fact that there is strong local support for the bill from a variety of people. We are told that Grants, NM, where the area is located, is anxious to attract tourism as a means of diversifying their economic base. It is difficult to argue with such a goal. If calling the area a national monument will attract more visitors, the committee said, "Let's give it a try."

As a general rule, I believe we all agree that it is best to address the wilderness issue on a State-by-State basis. The process has worked for the Forest Service RARE II wilderness issue and I believe we will follow such a process for BLM. However, it does seem appropriate, if we are going to create the national monument, to move ahead on the core wilderness proposal to enable the agency to develop a meaningful management plan for the area.

Therefore, Mr. Speaker, I commend the subcommittee chairman, the gentleman from Ohio [Mr. SEIBERLING] for his fine work, and I urge my colleagues to support this bill.

Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. SEIBERLING. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio [Mr. SEIBERLING] that the House suspend the rules and pass the bill, H.R. 3684, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just concluded.

The SPEAKER pro tempore. (Mr. MONTGOMERY). Is there objection to the request of the gentleman from Ohio?

There was no objection.

ALASKA NATIVE CLAIMS SETTLEMENT ACT AMENDMENTS OF 1986

Mr. SEIBERLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4162) to amend the Alaska Native Claims Settlement Act to provide Alaska Natives with certain options for the continued ownership of lands and corporate shares received pursuant to the act and for other purposes, as amended.

The Clerk read as follows:

H.R. 4162

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Alaska Native Claims Settlement Act Amendments of 1986".

(b) Whenever, in this Act, an amendment is expressed in terms of an amendment to a section or provision, the reference shall be considered to be made to a section or provision of the Alaska Native Claims Settlement Act, as amended (43 U.S.C. 1601 et seq.).

CONGRESSIONAL FINDINGS

SEC. 2. Congress finds and declares—

(a) the Alaska Native Claims Settlement Act (ANCSA) was enacted to achieve a fair and just settlement of all claims by Natives and Native groups based upon aboriginal land claims in a manner consistent with the real economic and social needs of the Alaska Natives, including maximum participation by Native people in decisions which affect their rights and property;

(b) the corporate model adopted by ANCSA is frequently ill-adapted to the reality of life in many Alaska Native villages and to traditional Native cultural values;

(c) although Congress mandated that the settlement be implemented rapidly and without litigation, the complexity of the land conveyance process and frequent and costly litigation have delayed the implementation of the settlement and significantly diminished its value;

(d) providing Alaska Natives maximum participation in decisions affecting their rights and property necessitates that ANCSA be amended to—

(A) provide the stockholders of each Native Corporation an opportunity to implement the settlement in the manner which they determine is best suited to their particular circumstances and needs, including, but not limited to, an opportunity to decide the manner in which Alaska Natives born after December 18, 1971, should participate in the settlement and whether the business corporation is the most appropriate entity to hold legal title to lands conveyed in partial settlement of aboriginal claims; and

(B) continue restrictions on the transfer of stock of Native Corporations until such time as the stockholders of a corporation may vote to terminate such restrictions; and

(e) both ANCSA, as amended, and this Act are Indian legislation enacted by Congress pursuant to its plenary authority under the Commerce Clause to regulate Indian affairs.

NEW DEFINITIONS

SEC. 3. (a) Section 3 (43 U.S.C. 1602) is amended by adding the word "group" after the word "individual," in subsection (h); striking the word "and" at the end of subsection (k); and by striking the periods at the end of subsections (l) and (m) and inserting, in lieu thereof, semicolons.

(b) Section 3 is further amended by adding the following new subsections:

"(n) 'Native common stock' means the stock of a Native Corporation issued pursuant to subsection (g) of section 7 which carries with it the rights and restrictions provided for in paragraph (1) of subsection 7(h); and

"(o) 'descendant of a Native' means a lineal descendant of a Native or of an individual who would have been a Native if he or she were alive on December 18, 1971, or an adoptee of a Native or descendant of a Native whose adoption is recognized at law or in equity.".

NEW STOCK ISSUANCE

SEC. 4. Subsection (g) of section 7 (43 U.S.C. 1606(g)) is amended to read as follows:

"(g)(1) The Regional Corporation shall be authorized to issue such number of shares of Native common stock, divided into such classes of shares as may be specified in the articles of incorporation to reflect the provisions of this Act, as may be needed to issue one hundred shares of Native common stock to each Native enrolled in the region pursuant to section 5 of this Act.

"(2) Notwithstanding any other law, a Regional Corporation, if authorized by an amendment to its articles of incorporation, may issue up to one hundred shares of additional Native common stock to—

"(A) Natives born after December 18, 1971;

"(B) Natives who have attained the age of sixty-five; and

"(C) Natives who were eligible for enrollment pursuant to section 5, but who were not so enrolled;

for no consideration or for such consideration and upon such terms and conditions as may be specified in the articles of incorporation or by a resolution of the board of directors pursuant to authority expressly vested in it by the articles of incorporation.

"(3)(A) Notwithstanding any other provision of this Act and in addition to any other existing authority, any Regional Corporation, after the date of enactment of this paragraph, may amend its articles of incorporation to authorize the issuance of additional shares of stock as provided in this paragraph.

"(B) Such shares of stock may be—

"(i) divided into classes and series within classes, with preferences, limitations, and relative rights, including, without limitation, dividend rights, voting rights, liquidation preferences, and rights to share in distributions made to stockholders under subsections (j) and (m) of this section;

"(ii) subject to alienability restrictions not in excess of the restrictions provided for in paragraph (1) of subsection (h) of this section;

"(iii) restricted in issuance to—

"(a) Natives who have reached the age of sixty-five; or

"(b) any other identifiable group of Natives, where such group is defined in terms of general applicability and, except as provided in subparagraph (H) of this paragraph, not in any way by reference to place of residence, family, or position as an officer, director, or employee of a Native Corporation, or stockholder of a Native Corporation other than the issuing Corporation; and

"(iv) issued as a dividend or other distribution upon outstanding shares of stock or for such consideration as may be permitted by law;

as may be provided in the articles of incorporation or an amendment thereto.

"(C) Any amendment to the articles of incorporation of a Regional Corporation which permits the issuance of classes or series of stock other than Native common stock shall specify the maximum number of shares of any such class or series and the maximum number of votes that may be held by shares of such class or series.

"(D) During any period in which the restrictions on alienation of Native common stock imposed by paragraph (1) of section 7(h) are in effect, no stock may be issued under this paragraph to a group of individuals composed only of employees, officers or directors of the Regional Corporation.

"(E) If any amendment to the articles of incorporation permits the issuance of classes or series of stock which, when issued, singly or in combination, may cause the outstanding shares of Native common stock to represent less than a majority of the voting power of all stock in the Regional Corporation, the stockholders of such corporation shall be expressly so advised in the proxy statement or other informational material distributed in advance of their vote upon the amendment.

"(F) In no event may shares of stock other than Native common stock be issued more that thirteen months after the date of the stockholder vote authorizing the issuance of such stock if, as a result of the issuance of such stock, the outstanding shares of Native common stock will represent less than a majority of the voting power of all stock in the Regional Corporation. The restriction of this subparagraph shall be of no further force and effect if shares of stock previously have been lawfully issued pursuant to this paragraph which have caused the shares of the Native common stock to represent less than a majority of the voting power of all stock in the Regional Corporation or if the restrictions upon alienation of Native common stock provided for in paragraph (1) of section 7(h) have expired under section 7a or have been terminated under section 7(h) by vote of the stockholders.

"(G) Notwithstanding the issuance of additional shares of Native common stock or new classes or series of stock pursuant to this paragraph, the Regional Corporation shall continue to apply the ratio last computed under subsection (m) of this section before the date of enactment of this paragraph for purposes of distributing funds under subsections (j) and (m) of this section.

"(H) If shares of different classes or series have been issued pursuant to this paragraph to nonvillage stockholders as described in subsection (m), distributions payable under subsections (j) and (m) of this section shall be made with respect to such classes or series in accordance with the rights, if any, of each class or of incorporation or an amendment thereto and, if so provided, the series to share in such distributions as provided in the articles right to share in such distributions may be established as a right or other security separate from any other shares issued to such nonvillage stockholders.

"(I) Common stock issued pursuant to this subsection which carries the same rights and restrictions provided for in section 7(h) or which is issued in substitution for Native common stock shall be deemed to be Native common stock as long as all such rights and restrictions are in effect with respect thereto.

"(4) The issuance of additional shares of Native common stock or other stock pursuant to paragraphs (2) and (3) of this subsection shall have no effect on the division and distribution of revenues pursuant to subsection (i) of this section.".

NATIVE COMMON STOCK: RIGHTS: ALIENATION RESTRICTIONS

SEC. 5. Subsection (h) of section 7 (43 U.S.C. 1606(h)) is amended to read as follows:

"(h)(1)(A) Except as otherwise provided in this paragraph and in paragraphs (3) and (4) of this subsection, Native common stock of a Regional Corporation issued pursuant to subsection (g) of this section shall—

"(i) carry a right to vote in elections for the board of directors and on such other questions as properly may be presented to stockholders;

(ii) permit the holder to receive dividends or other distributions from the Regional Corporation; and

(iii) vest in the holder all rights of a stockholder in a business corporation organized under the laws of the State of Alaska.

"(B) Until the termination of such restrictions by the stockholders under paragraph (2) of this subsection or pursuant to section 7a, Native common stock, inchoate rights thereto, and any dividends paid or distributions made with respect thereto, may not be—

"(i) sold;

"(ii) pledged;

"(iii) subject to a lien or judgment execution;

"(iv) assigned in present or future;

"(v) treated as an asset in a bankruptcy estate; or

"(vi) otherwise alienated.

"(C) The limitation contained in subparagraph (B) of this paragraph shall not apply to transfers of Native common stock if such transfers are made to Natives or descendants of Natives pursuant to a court decree of separation, divorce or child support or by a stockholder who is a member of a professional organization, association, or board which limits the ability of that stockholder to practice his or her profession because of holding stock issued under this section.

"(D) Except as provided in section 7a, the restrictions on alienation of Native common stock provided in this paragraph shall remain in effect until such time as the stockholders of a Regional Corporation vote to terminate such restrictions as provided in paragraph (2) of this subsection.

"(2)(A) Except as provided in subparagraph (F) of this paragraph, a Regional Corporation may terminate the restrictions on alienation imposed on its Native common stock by paragraph (1) of this subsection as provided in this paragraph.

"(B) At any time after the date of enactment of this paragraph, a resolution to terminate such restrictions may be adopted by the board of directors on its own motion or pursuant to a stockholders' petition as provided in paragraph (6)(D) of this subsection. A resolution of the board of directors of a Regional Corporation to terminate such restrictions shall be submitted to a vote of the stockholders in accordance with the procedures set forth in paragraph (6) of this subsection.

"(C) A resolution to terminate restrictions adopted pursuant to this paragraph shall make provision for the time of termination, either by the establishment of the date certain or the description of a specific event upon which the restrictions shall terminate.

"(D) The approval of a resolution under this paragraph shall be considered to be an amendment to the articles of incorporation of the Regional Corporation for the purposes of paragraph (6) of this subsection. On the date of termination as established in such resolution, all Native common stock previously issued shall be deemed canceled and shares of stock of the appropriate class shall be issued to each holder of Native common stock, share for share, subject only to such restrictions as may be provided in an amendment to the articles of incorporation adopted pursuant to paragraph (7) of this subsection or in agreements between the corporation and the individual stockholders.

"(E) The rejection of a resolution adopted pursuant to this paragraph by the stockholders of a Regional Corporation shall not preclude votes on subsequent resolutions adopted and submitted to a vote pursuant to this paragraph.

"(F) Notwithstanding the provisions of this paragraph, if the board of directors of the Bristol Bay Native Corporation or any Village Corporation in the Bristol Bay region adopts, within one year of the date of enactment of this paragraph, a resolution electing to follow the procedures set forth in section 7a of this Act, the provisions of this paragraph shall not be applicable to such corporation.

"(3)(A) Upon the death of any holder of Native common stock, ownership of such stock shall be transferred in accordance with the last will and testament of such holder or under applicable laws of intestate succession, except that, in the event the deceased stockholder fails to dispose of all of his or her Native common stock by will and if such stockholder has no heirs under applicable laws of intestacy who are Natives or descendants of Natives, such Native common stock shall escheat to the appropriate Regional Corporation.

"(B) In the event that stock would be transferred by devise or inheritance to a person not a Native or a descendant of a Native, the Regional Corporation shall have the right to purchase such stock for its fair market value.

"(4)(A) Notwithstanding the restrictions on alienation imposed by paragraph (1) of this subsection, any Regional Corporation is hereby authorized to amend its articles of incorporation to permit it to purchase and, for that purpose, its stockholders to sell, any or all of its Native common stock then issued and outstanding.

"(B) Payment for such stock shall be made out of—

"(i) unreserved or unrestricted earned surplus of the corporation; or

"(ii) net profits for the fiscal year in which the purchase is being made and for the preceding fiscal year, except when the corporation is unable to pay its debts as they become due in the usual course of business.

"(C) For the purpose of this paragraph, net profits derived from the exploitation or liquidation of timber resources or subsurface estate may be determined without con-

sideration of depletion of those assets resulting from lapse of time, consumption, liquidation, or exploitation.

"(D) Shares of stock purchased pursuant to this paragraph shall become nonvoting treasury stock or may be canceled by the Regional Corporation in accordance with law.

"(E) In the case of each purchase of Native common stock pursuant to this paragraph, the board of directors shall determine a price at which such purchase will be made. Such price, if determined in good faith, shall conclusively be presumed to be fair. In determining such price, the board of directors, at its option, may exclude from such determination the value of the land or any interest therein received by the Regional Corporation pursuant to this Act which is committed by the corporation to Native traditional or cultural uses or is of speculative or unknown value on the date such determination is made.

"(F) With respect to any purchase under this paragraph, all holders of such Regional Corporation's Native common stock shall be given a fair opportunity to participate in any offer by the corporation to purchase shares of its Native common stock on the same basis as is made available to any holder of such stock.

"(5) Native common stock transferred through inheritance to a person who is not a Native shall not carry voting rights. The lapse of the right to vote in a holder of Native common stock upon a transfer by inheritance or otherwise may be restored by the adoption of an amendment to the articles of incorporation, but only if such shares of stock are held by a Native or a descendant of a Native.

"(6)(A) Notwithstanding any provision of Alaska law, other than those which relate to proxy statements or solicitations which are not inconsistent with this paragraph, and except as provided in section 7a of this Act—

"(i) any amendment to the articles of incorporation of a Regional Corporation authorized by this subsection or subsection (g) of this section;

"(ii) a transfer of assets made pursuant to section 7b;

"(iii) a resolution described in paragraph 2(C) of this subsection; or

"(iv) a resolution described in paragraph (B) of this paragraph;

shall be approved as provided in this paragraph.

"(B) The board of directors shall adopt a resolution setting forth the proposal and directing that it be submitted to a vote at the annual, or a special, meeting of the stockholders. One or more such amendments or resolutions may be submitted to the stockholders and voted upon at one meeting.

"(C) A written or printed notice, setting forth the proposal or summary of the changes to be effected, or the proxy statement and related proxy material if required under applicable law, shall be delivered by hand or sent by first class mail to each stockholder of record entitled to vote not less than fifty nor more than sixty days before the date of the meeting at the address of such stockholder as it appears on the records of the corporation.

"(D) With respect to any amendment or resolution described in subparagraph (A) of this paragraph, if the holders of at least 15 per centum or, in the case of an amendment to terminate restrictions on the alienability of Native common stock, one-third of the outstanding shares of Native common stock entitled to be voted petition the board of directors to adopt and submit such amendment or resolution to the vote of the stockholders, the board of directors shall adopt a resolution to that effect and submit it to the stockholders as provided in this paragraph. The procedural and disclosure requirements pertaining to the solicitation of proxies under State law shall govern solicitation of signatures on any such petition. If the petition meets the aforementioned standards and if—

"(i) the board of directors agrees with such petition, it shall submit the resolution and either the proponent's statement or its own statement in support of the resolution to the stockholders for a vote; or

"(ii) the board of directors disagrees with the petition for any reason, it shall submit the resolution and the proponent's statement to the stockholders and may, at its discretion, submit an opposing statement and/or an alternative resolution.

"(E)(i) An amendment to the articles of incorporation that would have the effect of removing the restrictions on alienation of Native common stock provided in paragraph (1) of this subsection shall be approved if such amendment receives the affirmative vote of at least a majority of the outstanding shares of Native common stock entitled to vote on such amendment.

"(ii) Any other amendment or resolution described in subparagraph (A) of this paragraph shall be approved—

"(a) if voted upon by at least 51 per centum of the votes represented by the capital stock of the Regional Corporation entitled to be voted on such amendment or resolution; and

"(b) if such amendment or resolution receives the affirmative vote of at least a majority of all votes cast,

subject to the right of the board of directors of the Regional Corporation to provide a quorum or vote requirement greater than subclause (a) or (b) of this clause, or both, and to the right of the Regional Corporation in its articles of incorporation to provide a vote by classes of stock for all or any of such actions.

"(F) If the result of a stockholder vote under this paragraph is the continuation of the restrictions against alienation of Native common stock, a stockholder who voted in favor of termination of the restriction may demand and receive payment from the corporation for all of his or her shares, but only if, contemporaneously with such vote, the stockholders approve a resolution providing for such right. The procedure established by Alaska law for the exercise of the right of a dissenting stockholder shall be followed, if such right is made available pursuant to this subparagraph.

"(G) A resolution adopted pursuant to subparagraph (F) of this paragraph may provide that Native common stock shall be valued on the basis set forth in section 7a(f)(2) or that the form of payment to dissenting stockholders shall be as provided in section 7a(f)(3).

"(7) Notwithstanding a stockholder vote to terminate restrictions on alienation of Native common stock under paragraph (2) of this subsection or the expiration of such restrictions pursuant to section 7a, a Regional Corporation, prior to the effective date of such termination, may amend its articles of incorporation to impose any restrictions upon the replacement common stock issued pursuant to paragraph 2(D) of this subsection permitted under applicable law as well as restrictions providing for—

"(A) the denial of voting rights to any holder of such replacement common stock who is not a Native or descendant of a Native; and

"(B) the granting to the corporation, or to the corporation and the stockholder's immediate family, on reasonable terms, the first right to purchase a stockholder's replacement common stock prior to the sale or transfer of such stock, other than a transfer by inheritance, to any other party, including a transfer in satisfaction of a lien, writ of attachment, judgment execution, pledge, or other encumbrance.".

BRISTOL BAY REGION: SPECIAL PROVISIONS

SEC. 6. The Alaska Native Claims Settlement Act is further amended by adding a new section as follows:

"SEC. 7a. (a) If the Bristol Bay Native Corporation or any Village Corporation located in the Bristol Bay region adopts a resolution as provided in paragraph (2)(F) of subsection 7(h), such corporation may extend the restrictions on alienation of Native common stock as provided in this section.

"(b)(1) Within two years after the election under paragraph (2)(F) of section 7(h) and, if the quorum requirement specified in subsection (e) of this section is not satisfied, annually thereafter, the board of directors of such corporation shall adopt, and submit to a vote of its stockholders, a resolution to amend its articles of incorporation to extend the restrictions on alienation of its Native common stock.

"(2) Such resolution shall provide for an extension of the restrictions for a period of not less than twenty nor more than fifty years.

"(3) If a resolution under paragraph (1) of this subsection is adopted, such corporation may, prior to the expiration of the period of extension or any successor extension period, further extend the restrictions under the provisions of this section.

"(c)(1) If any vote conducted pursuant to subsection (b) of this section is ineffective because of a continuing or repeated lack of quorum as provided in subsection (e) of this section or if the holders of Native common stock defeat a resolution to continue restrictions on alienation, the board of directors shall adopt, and submit to the vote of the stockholders, a resolution which establishes the date or describes the specific event upon which the restrictions shall terminate.

"(2) If no such resolution is voted upon and approved, the restrictions shall terminate one year from either the date of the vote disapproving the resolution to extend such restrictions or the last date on which a lack of a quorum existed, as the case may be, or on December 18, 1991, whichever date later occurs.

"(3) On the date of termination of such restrictions, all Native common stock of such corporation previously issued shall be deemed canceled and shares of stock of the appropriate class shall be issued to each stockholder, share for share, subject only to such restrictions as may be provided by the articles of incorporation, including any amendment thereto adopted pursuant to section 7(h)(7), or in agreements between the corporation and individual stockholders.

"(d)(1) Notwithstanding any provision of Alaska law, except those relating to stockholders' rights of petition and to proxy statements and solicitations which are not inconsistent with the provisions of this section—

"(A) any amendment to the articles of incorporation of a corporation authorized by this section or subsections 7(g) and 7(h) (4), (5), and (7) of this Act;

"(B) a transfer of assets made pursuant to section 7b;

"(C) a resolution described in subsection (c) of this section; or

"(D) a resolution described in subsection (f)(2) of this section;

shall be approved as provided in this subsection.

"(2) The board of directors shall adopt a resolution setting forth the proposal and directing that it be submitted to a vote at the annual, or a special, meeting of the stockholders. One or more such amendments or resolutions may be submitted to the stockholders and voted upon at one meeting.

"(3) A written or printed notice setting forth the proposal or a summary of the changes to be effected shall be given to each stockholder of record entitled to vote not less than fifty nor more than sixty days before the date of the meeting, either personally or by mail.

"(e)(1) In order for a resolution to be approved under this section, the proposal must be voted upon by at least 51 per centum of the outstanding shares of Native common stock entitled to be voted and must receive the affirmative vote of at least 50 per centum plus one of the shares voted.

"(2) Notwithstanding paragraph (1) of this subsection, the stockholders may require a minimum vote of more than 51 per centum of the outstanding shares of Native common stock entitled to be voted or an affirmative vote greater than 50 per centum of the shares voted, or both, to approve any such proposal.

"(f)(1) If the result of a stockholder vote under this section is the extension of restrictions against alienation or a transfer of assets pursuant to section 7b, a stockholder who voted against the extension or transfer may demand and receive from the corporation the fair market value of his or her shares. Unless longer periods of time are authorized in the bylaws of the corporation, the procedure established by Alaska law for the exercise of the right of a dissenting stockholder to demand and receive payment for his or her shares in certain cases shall be followed to the extent such right is made available pursuant to this subsection.

"(2) The stockholders of the corporation may adopt a resolution, concurrent with the vote authorized under subsection (a) of this section, which provides that, in the event dissenters' rights are exercised—

"(A) the Native common stock shall be valued as restricted stock, having the same restrictions for the same period made applicable to the stock by the vote; and/or

"(B) the value of the land or any interest therein received by the corporation pursuant to this Act which—

"(i) is committed by the corporation to Native traditional or cultural uses; and/or

"(ii) is of speculative or unknown value on the date such resolution is adopted;

shall be excluded by the stockholder, the corporation and any court in the determination of the fair market value of the shares of Native common stock to be purchased from such stockholder by the corporation; and/or

"(C) payments to each dissenting stockholder shall be made by the corporation through the issuance to such stockholder of a nonnegotiable note in the principal amount of the payment due, which note shall be secured either by—

"(i) a payment bond issued by an insurance company or financial institution;

"(ii) the deposit in escrow of securities or property having a fair market value equal to at least 125 per centum of the face amount of the note; or

"(iii) a lien upon the real property interests of the corporation valued at 125 per centum or more of the face amount of the note, other than lands or interests therein which are committed to Native traditional or cultural uses and the percentage interest in its timber resources and subsurface estate that would result in the recognition of 'Gross Section 7(i) Revenues' within the meaning of, and pursuant to, article II, section 1(d) of the 7(i) agreement cited in subsection (f)(2) of section 7b of this Act.

"(3) Any note issued pursuant to this subsection shall provide that—

"(A) interest shall be paid semi-annually, beginning as of the date the corporation elected to extend stock restrictions on Native common stock or transfer assets pursuant to section 7b of this Act, at the rate applicable on such date to obligations of the United States having a maturity date of one year; and

"(B) the principal amount and any undistributed interest shall be payable to the former stockholder or his or her heirs or devisees—

"(i) at any time, at the option of the corporation; or

"(ii) if not so called, on December 18, 1991, or, if the restrictions on Native common stock otherwise would have expired on a later date, on such date or five years after the date of election, whichever comes first, or, if the transfer of assets occurs after December 18, 1991, then five years after the date of such transfer.".

TRANSFER OF ASSETS: QUALIFIED TRANSFEREE ENTITY

SEC. 7. The Alaska Native Claims Settlement Act is further amended by adding the following new section:

"SEC. 7b. (a) Any Native Corporation or the stockholders of a Native Corporation which has been dissolved involuntarily under applicable law is hereby authorized to convey any or all of its assets, including the title to the surface or subsurface of land, to a qualified transferee entity as provided in this section. In cases where a Native Corporation has been involuntarily dissolved under State law, a State court of appropriate jurisdiction, upon petition of no less than twenty-five of the former stockholders of such corporation, may order the transfer of real property assets and such other assets remaining after satisfaction of outstanding debts upon an affirmative vote of individuals who were shareholders in the dissolved corporation on a resolution as provided in section 7(h)(6) or 7(c) without requiring that the resolution be adopted by the Board of Directors.

"(b) The conveyance of such assets shall be as provided in a resolution, including a provision for the payment of consideration or no consideration as desired, adopted by the board of directors of such corporation and submitted to a vote of its shareholders as provided in section 7(h)(6) or section 7a of this Act, as the case may be.

"(c) An entity shall be qualified to accept a transfer of assets conveyed pursuant to this section if it—

"(1) is organized pursuant to, or recognized by, State or Federal law;

"(2) has a membership composed of persons whose interest in the entity is nontransferable;

"(3) provides membership for every person who holds Native common stock in the corporation making the transfer of assets on the day before the date of such transfer; and

"(4) except as provided in paragraph (3), accepts as new members only Natives or descendants of Natives.

"(d) Notwithstanding any provision of State or Federal law, a qualified transferee entity is authorized to—

"(1) by a vote of its members;

"(A) limit its membership to Natives or descendants of Natives; and

"(B) admit to membership non-Natives only for the purpose of complying with paragraph (3) of subsection (c) of this section;

"(2) distribute cash and other assets to its members, except that such entity shall not convey fee title to land or interests therein unless authorized or required by section 14(c) or 21(j) of this Act; and

"(3) exchange lands or interests therein pursuant to the provisions of section 22(f) of this Act and section 1302(h) of the Alaska National Interest Lands Conservation Act.

"(e) The provisions of subsections (d) and (e) of section 21 of this Act shall continue to apply to any lands or interests therein conveyed by a Native Corporation to a qualified transferee entity pursuant to this section.

"(f)(1) Any revenues subject to distribution under section 7(i) of this Act derived from assets conveyed pursuant to this section shall remain subject to 7(i) to the same extent such revenues would have been subject if the conveyance had not occurred.

"(2) A Regional Corporation shall not convey assets subject to section 7(i) to more than one qualified transferee entity. Prior to receiving a conveyance of an asset subject to section 7(i), a qualified transferee entity shall agree in writing—

"(A) to be bound by the provisions of the agreement dated June 29, 1982, among and between the parties to Aleut Corporation et al. against Arctic Slope Regional Corporation (Civ. Act. A75-53 D. Ak.); and

"(B) to waive its sovereign immunity, if any, with respect to claims arising under section 7(i) or this section.

"(3) The Regional Corporation or, in the case of its dissolution, another single entity designated by its stockholders or the United States district court, as appropriate, shall be responsible for administering the provisions of section 7(i) and the June 29, 1982, agreement with respect to assets subject to section 7(i) conveyed by such corporation pursuant to this section.

"(4) After the conveyance of an asset subject to section 7(i) by a Regional Corporation, such asset shall be security for the payment of such corporation or its successor entity of all revenues which the corporation is obligated to distribute to other Regional Corporations pursuant to section 7(i).

"(g)(1) If a resolution conveying assets is approved by a stockholder vote pursuant to subsection (b) of this section, any stockholder who voted against the resolution may demand and receive payment from the corporation for all of his or her shares, but only if, concurrent with such vote, the stockholders of the Native Corporation adopt a resolution expressly providing for such right.

"(2) The procedure established by Alaska law for the exercise of the right of a dissenting stockholder to demand and receive payment for his or her shares in certain cases shall be followed if such right is made available pursuant to this subsection.

"(3) For the purpose of this section, a resolution establishing dissenters' rights may provide that the Native common stock shall be valued on the basis set forth in section 7a(f)(2) and that the form of payment to dissenting stockholders shall be as provided in section 7a(f)(3).".

DISCLAIMER: TRIBAL GOVERNMENT

SEC. 8. The Alaska Native Claims Settlement Act is further amended by adding a new section as follows:

"SEC. 7c. No provision of the Alaska Native Claims Settlement Act Amendments of 1986 shall be construed as enlarging or diminishing or in any way affecting the scope of governmental powers, if any, of an Alaska Native village entity, including entities organized under the Act of June 18, 1934 (48 Stat. 987), as amended or Traditional Councils.".

SEC. 9. The Alaska Native Claims Settlement Act is further amended by adding a new section as follows:

"SEC. 7d. The Aleut Corporation, Cook Inlet Region, Inc., and Koniag, Inc., and any Village Corporation within the Aleut and Cook Inlet regions may, by a vote of its board of directors within one year after the effective date of this section, elect to comply with the provision of section 7a with respect to a stockholder vote on the question of whether to continue restrictions on alienation of Native common stock imposed by paragraph (1) of section 7(h) beyond December 18, 1991.".

VILLAGE AND URBAN CORPORATIONS: NATIVE GROUPS

SEC. 10. Subsection (c) of section 8 (43 U.S.C. 1607(c)) is amended to read as follows:

"(c)(1) The provisions of subsections (g), (h), and (o) of section 7 and of section 7a of this Act relating to Regional Corporations shall apply in all respects to Village Corporations, Urban Corporations and Native groups, except that—

"(A) audits need not be transmitted to the Committee on Interior and Insular Affairs of the House of Representatives or to the Committee on Energy and Natural Resources of the Senate; and

"(B) subject to the provisions of paragraph (2) of this subsection and section 7a, restrictions on the alienation of Native common stock of such corporations, inchoate rights thereto, and any dividends paid or distributions made with respect thereto shall continue after December 18, 1991.".

"(2) The restrictions on alienation of Native common stock of Village Corporations, Urban Corporations and incorporated Native groups may be terminated or extended by the adoption of an amendment to their articles of incorporation to such effect pursuant to the provisions of paragraphs (2) and (6) of subsection 7(h) or of section 7a, as the case may be, except that—

"(A) with respect to action under section 7(h), only one such vote may be held prior to December 18, 1991 and only once annually thereafter; and

"(B) with respect to action under section 7a, votes shall be held as provided in subsection (b)(1) of section 7a.".

CONSTITUTIONALITY: UNITED STATES JURISDICTION

SEC. 11. Section 10 (43 U.S.C. 1609) is amended by adding the following new subsection:

"(c)(1) The United States District Court for the District of Alaska is vested with exclusive original jurisdiction over any action challenging the constitutionality of any provision of the Alaska Native Claims Settlement Act Amendments of 1986. Such action shall be heard and determined by a court of three judges as provided in section 2284 of title 28, United States Code, with a direct appeal from any final judgment to the United States Supreme Court.

"(2) It being the express intention and direction of Congress that in no circumstances shall enactment of this Act result in any liability to the United States, the court shall not enter a money judgment against the United States in fashioning appropriate relief upon a determination that any of such sections violates the Fifth Amendment to the United States Constitution.".

SUBSURFACE CONVEYANCE TO VILLAGE ENTITY

SEC. 12. Section 14 (43 U.S.C. 1613) is amended by adding the following new subsection:

"(i)(1) A Regional Corporation may convey any subsurface estate owned by such corporation to a village entity which acquired or currently owns the surface estate pursuant to this Act.

"(2) Notwithstanding any conveyance pursuant to paragraph (1) of this subsection, the Regional Corporation shall continue to receive the thirty percent of the revenues from any development of the subsurface estate it would have retained had there been no such conveyance and the remaining seventy percent of such revenues shall be distributed in accordance with section 7(i).

"(3) Any conveyance under this subsection shall be subject to the provisions of section 7b as if the village entity were a qualified transferee entity. The document or documents effecting such conveyance shall be recorded by the Regional Corporation, together with copies of section 7b and this subsection, in the land records of the appropriate recording district.

"(4) The village entity to which any subsurface estate is conveyed pursuant to this subsection may not convey or otherwise transfer all or any part of such subsurface estate to any other entity without the express consent to the transfer Regional Corporation.".

REAL PROPERTY INTERESTS: IMMUNITIES

SEC. 13. Paragraph (1) of subsection 21(d) (43 U.S.C. 1620(d)(1)) is amended to read as follows:

"(1)(A) All land and interests therein conveyed pursuant to this Act, to any Native individual, Native group, Village or Regional Corporation, or a corporation established pursuant to section 14(h)(3) of this Act shall be, so long as such land and interests therein are not developed or leased to third parties or are used solely for purposes of exploration, entitled from the date of their conveyance to immunity from—

"(i) adverse possession and similar claims based upon legal theories of estoppel;

"(ii) real property taxes by any governmental entity;

"(iii) judgment resulting from any claim based upon or arising under title 11 of the United States Code relating to bankruptcy (or any successor statute), other insolvency or moratorium laws, or other laws affecting creditors' rights generally;

"(iv) unless such immunity is waived by the corporation in a valid and binding contract executed prior to the commencement of such proceedings, judgment in any action at law or equity to recover sums owed or penalties incurred by any Native Corporation or Native group or any officer, director, or stockholder of any such corporation or group, and

"(v) involuntary distribution or conveyance related to the involuntary dissolution of the Native Corporation.

"(B) For the purposes of this paragraph, lands shall not be considered to be developed solely as a result of construction, installation, or placement upon such land of any structure, fixture, device, or other improvement intended to enable, assist, or otherwise further the subsistence or other customary or traditional uses of such land.

"(C) Immunities provided for in this paragraph shall be in addition to those immunities or other benefits to which such lands or interests therein may be entitled under the Alaska National Interest Lands Conservation Act, but shall not apply to any judgment in any action at law or equity or to any arbitration award arising out of any claim regarding revenue sharing under section 7(i) of this Act.

"(D) Land to which this paragraph applies and lands conveyed pursuant to section 7b of this Act shall be subject to condemnation for public purposes in accordance with the provisions of applicable State law.

"(E) Except as provided in section 14(c)(3), no trustee, receiver or custodian vested under applicable Federal or State law with any right, title or interest of any Native Corporation or Native group may assign or lease to a third party any land subject to this paragraph which has not theretofore been developed or leased, or commerce development or use of the land other than for purposes of exploration, and such trustee, receiver, or custodian may not convey any right, title, or interest in land and interests therein protected under this paragraph to any third party, except pursuant to a judgment or arbitral award regarding revenue sharing under section 7(i).".

CONFORMING AMENDMENT: SECTION 21

SEC. 14. Subsection (f) of section 21 (43 U.S.C. 1620(f)) is amending by striking the phrase "Until January 1, 1992" and inserting, in lieu thereof, the phrase "Until such time as the limitations upon alienation of Native common stock have been removed pursuant to section 7(h)(2) or have expired pursuant to section 7a of this Act".

SEVERABILITY CLAUSE

SEC. 15. Section 27 (85 Stat. 688) is amended to read as follows:

"SEC. 27. The provisions of this Act, as amended, are severable and, if any provision of the Act is determined by a court of competent jurisdiction to be invalid, such invalidity shall not affect any other provision.".

CORPORATIONS EXEMPT FROM SECURITIES LAWS

SEC. 16. Section 28 (43 U.S.C. 1625) is amended to read as follows:

"SEC. 28. (a)(1) Any corporation organized pursuant to this Act shall be exempt from the provisions of the Investment Company Act of 1940 (54 Stat. 789), the Securities Act of 1933 (48 Stat. 74), and the Securities Exchange Act of 1934 (48 Stat. 881), as amended, through the earlier of the date after—

"(A) the date on which the corporation issues any shares of stock which will not be issued solely to Natives or descendants of Natives or to entities established for the sole benefit of Natives or descendants of Natives; or

"(B) the date on which the corporation removes the limitations on alienation of Native common stock as provided for in section 7(h)(2) or the date on which such restrictions terminate under section 7a of this Act.

"(2) Nothing in this section shall be construed to mean that any such corporation shall or shall not, after such date, be subject to the provisions of such Acts.

"(b)(1) Any such corporation which, but for this section, would be subject to the provisions of the Securities Exchange Act of 1934 shall transmit to its stockholders each year a report containing substantially all the information required to be included in an annual report to stockholders by a corpo-

ration which is subject to the provisions of such Act.

"(2) For the purposes of determining the applicability of the registration requirements of the Securities Exchange Act of 1934 after the date determined pursuant to subsection (a) of this section, holders of Native common stock shall be excluded from the calculation of the number of shareholders of record pursuant to section 12(g) of that Act.

"(c) The provisions of the Investment Company Act of 1940 shall not, in any event, apply to any corporation organized pursuant to this Act prior to January 1, 2001.".

FEDERAL PROGRAMS: MINORITY CORPORATION

SEC. 17. Section 29 (43 U.S.C. 1626) is amended by adding the following new subsection:

"(c) In determining the eligibility of any household or individual Native or descendant of a Native to participate in the Food Stamp program receive assistance under the Social Security Act of financial assistance or benefits available under any other Federal or federally assisted program otherwise available to the Native people of Alaska as citizens of the United States and of the State of Alaska, any compensation, remuneration, revenue, stock, land, or other benefits received by any individual, any household or any member of such household under this Act, including land received from such individual's Native Corporation or Native group organized under this Act, shall be disregarded and shall not be considered as a resource or otherwise utilized as a basis for making such determination.

"(d) Until such time as less that 50 per centum of the voting power of a Native Corporation is represented by shares of outstanding Native common stock or any other securities of such corporation held by Natives or descendants of Natives entitled to vote, such Native Corporation for all purposes of Federal law shall be considered a corporation owned and controlled by Alaska Natives.".

CONFORMING AMENDMENT: SECTION 30

SEC. 18. Subsection (b) of section 30 (43 U.S.C. 1627(b)) is amended by striking the phrase "prior to December 19, 1991" and inserting, in lieu thereof, the phrase "while the Native common stock of all corporations subject to merger or consolidation remain subject to restraints on alienation".

The SPEAKER pro tempore. Is a second demanded?

Mr. YOUNG of Alaska. Mr. Speaker, I demand a second.

The SPEAKER pro tempore (Mr. MONTGOMERY). Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Arizona [Mr. UDALL] will be recognized for 20 minutes and the gentleman from Alaska [Mr. YOUNG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to bring this bill to the House for its consideration and passage. H.R. 4162 makes some extremely important amendments to the Alaska Native Claims Settlement Act.

I am one of the few members of the Interior Committee who was on the committee when we passed this historic legislation in 1971. I remember the sense of satisfaction and the great hopes and expectations we had at that time for the success and future of the Alaska Natives under ANCSA. ANCSA represented an innovative, experimental approach by Congress to the settlement of Native claims and the treatment of Native people.

Today, 15 years after enactment, it is clear that ANCSA has not fully met our hopes and expectations. It is apparent that it did not wholly satisfy the real economic, social, and cultural needs of the Native people. Almost all who are affected by the act agree that major modifications are in order. H.R. 4162 provides those changes.

In settling the longstanding land claims of Alaska Natives, ANCSA provided for the conveyance of nearly 44 million acres of land and the payment of nearly $1 billion to the Natives.

To provide a framework for the administration of the settlement, ANCSA required the Alaska Natives to create a series of regional and village profit corporations. Alaska Natives of at least one-quarter Native blood who were alive on December 18, 1971, were enrolled in these regions and villages and issued stock in the corporations.

H.R. 4162 makes three basic changes in ANCSA in order to protect Native lands and Native interests.

Under ANCSA, stock owned by a Native cannot be sold or otherwise alienated until December 18, 1991. After that date, the stock will be freely alienable with the distinct possibility that Natives will lose control of their corporations and lands. The bill amends ANCSA to indefinitely extend the period of alienability with the Natives having the right to terminate the restrictions. An alternative approach is made available which retains the 1991 date, but permits the Natives to extend the period of inalienability.

Second, the bill amends ANCSA to permit the Native corporations to issue new stock to Natives who were born after the 1971 date. Under existing law, young Natives are precluded from sharing in the benefits of the settlement and their heritage.

Finally, the bill authorizes Native corporations to transfer their land to other entities, including tribal entities, which might better protect their lands for the long term.

Mr. Speaker, this is good legislation and I urge its passage.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first let me commend the gentleman from Arizona, the gentleman from Ohio, and the gentleman from New Mexico [Mr. LUJAN]. They are the last Members that were sitting in this House in 1971 that passed this historic legislation. As the gentleman from Arizona has said, that was a pilot project, an experimental piece of legislation, signed into law by President Nixon. It was to work and it has worked in many cases, but there is much to be done yet.

At this time I would like to compliment the one gentleman from Ohio who is retiring in the next year. Of course, the gentleman from Arizona is not retiring, the chairman of the full committee. I want to commend them for their work back in 1971 in their attempt to have justice done in the State of Alaska.

Mr. Speaker, as the sponsor of H.R. 4162, I rise in support of the legislation and wish to commend the distinguised chairman of the Committee on Interior and Insular Affairs for his assistance and leadership in helping to bring the legislation before this Chamber.

For the benefit of our colleagues, I intend to briefly describe the background of this legislation and its major provisions.

Fifteen years have passed since the Alaska Native Claims Settlement Act of 1971 was signed into law by President Nixon. The Settlement Act of 1971 was a bold, far-reaching land claims settlement act. ANCSA represented an important change in traditional Federal Indian law, since Congress chose to have the act administered by Native corporations organized under State law, instead of creating reservations found in other States. Under the law, the land would be transferred to these corporations, which would be given 20 years of protection from sale and certain property taxes. This 20-year period was intended to provide the corporations with time to develop economically without the presssure of corporate takeovers.

The intent was stated in section 2(b) of ANCSA, which is not changed under this legislation. Section 2(b) states in part:

> The settlement should be accomplished rapidly, with certainty * * * without litigation * * *.

The protections of ANCSA were for 20 years, but also called for expeditious conveyances, "without extensive litigation." Fifteen years after ANCSA, lands remain to be conveyed and litigation still hampers some selections and conveyances.

Mr. Speaker, it is important to remember that the land title claims were settled immediately and completely and were not limited to 20 years.

As the 20-year deadline draws near, there has been a great deal of concern in Alaska Native communities that the unrestricted sale of stock could result in the loss of lands conveyed under the Settlement Act. As the committee report notes, the possible loss of land from Native ownership is of paramount concern. It is the reason for this legislation.

To address this concern, the legislation would provide for the continuation of restrictions contained in ANCSA, unless an individual Native corporation takes certain actions to eliminate or modify the sale restrictions. Dissenter's rights are provided where the corporation elects to continue stock restrictions, in addition to clarification or corporate share ownership rights, the bill provides for land ownership protections in the form of statutory protections similar to those now in Alaska Land Bank Program.

Finally, as I have stated throughout consideration of this bill, this legislation does not deal with governments. It deals solely with stock and land ownership. There are ownership issues of private individuals and corporations—not governments. The amendment adopted by the committee with regard to section 7(c) clarifies this intent. Any reading of the amendment which I sponsored in the committee which interprets the intent as affecting the original intent of ANCSA would be erroneous.

The bill does not affect Government powers, grant new lands or funds, and does not have any significant fiscal impact on the Federal Government.

Many individuals and groups in Alaska have spent a great deal of time and effort over the past 2 years in considering responses to the 1991 deadline. Through a series of village meetings, workshops, and special conventions, Alaska Natives have deliberated, and made many difficult decisions which resulted in proposals to Congress. From there, this legislation was considered, changed in some respects, and then was the subject of congressional hearing in Anchorage, Fairbanks, and Washington, DC, over the past year.

Mr. Speaker, these amendments are intended to respond to the concern of rural Alaska and to maintain the intent of the Alaska Native Claims Settlement Act. Nothing more, nothing less. Is it my belief that we must act to provide flexibility for the villages in rural Alaska if the intent that brought us the settlement in 1971 is to be maintained.

We have the opportunity to make the Settlement Act work better to meet the needs of Alaska, especially rural villages.

For these reasons, I urge my colleagues to support this legislation.

□ 1300

Mr. Speaker, at this point, I would like to yield to the distinguished chairman of the Committee on Interior and Insular Affairs for purposes of explanation of the condemnation authority found in section 10 of the legislation.

Will the chairman respond to a question concerning this section?

Mr. UDALL. Yes.

Mr. YOUNG of Alaska. This legislation retains condemnation authority of the State of Alaska over Native lands. The conditions that are placed under existing law for the exercise of this authority are that the authority to condemn lands should be used only for valid public purposes, and only if trust compensation is provided.

It is the understanding of the chairman that these conditions are to be retained under these amendments?

Mr. UDALL. Yes. As the gentleman from Alaska is aware, the State of Alaska and Native corporations have had serious disagreements over the use of Native land and resources, such as sand and gravel, for public purposes. In yet other cases, the State and Native corporations have had disagreements over valuation of land and resources. The committee hopes that disagreements between the State and Native corporations can be minimized, and the committee desires that the Native corporations receive appropriate compensation for use and taking of their lands and resources. The committee understands that the State of Alaska supports our views regarding use of the power of eminent domain, and has adopted several policies to support this position.

Mr. YOUNG of Alaska. Mr. Speaker, I thank the gentleman from Arizona, and I again urge my colleagues to accept this legislation today and pass it overwhelmingly.

Mr. Speaker, I have no further request for time, and I yield back the balance of my time.

Mr. UDALL. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. SEIBERLING], who has been instrumental in furthering the progress of this legislation.

Mr. SEIBERLING. Mr. Speaker, I was in the Congress, but not on the committee, when this legislation was enacted, and among all of the Members of the House, I think the gentleman from Arizona [Mr. UDALL] is probably the person who deserves the most credit for the original legislation, and he and the gentleman from Alaska [Mr. YOUNG] for this very important modification, and actual extension, of the general spirit of the original legislation.

It seems to me that it was very important to have continuing protection for those Natives who desire to hang onto their present corporate forms, and at the same time to have the flexibility so that if they do not want to do that, they have the power to change it through majority vote.

I think that this bill is an excellent solution, or at least the best possible solution, to a very difficult and complex problem, and I commend the gentleman from Alaska and the chairman for their work in resolving this very important issue.

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks in connection with H.R. 4162, the bill presently under consideration.

The SPEAKER pro tempore (Mr. MONTGOMERY). Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I am pleased to rise in support of this legislation and to praise the work of my chairman and ranking minority member in this matter. At the direction of the chairman last July, the gentleman from Alaska [Mr. YOUNG] participated and I chaired oversight hearings in Anchorage, AK, on this issue.

The measure before us, while technical in nature, I believe is in the spirit of trying to provide some additional and important options under ANCSA to the Native Alaskans. I asked my colleague here, the gentleman from Ohio [Mr. SEIBERLING], what the amount of land, for instance, was that Native Alaskans have under ownership or in the process of being transferred to their ownership, and it is some 44 million acres of land. It sort of underlines, I think, the importance of what is at stake in terms of Native Alaskans and of the Alaskan people in general. While that 44 million acres of land is very important, there are other elements as well that are important.

The regional corporations that were envisioned in the 1971 law, ANCSA, have given rise to ownership and other corporate relationships which have become very important, and on the basis of those regional corporations and village corporations, pinned to them are the hopes for economic development and the development generally of the State and the welfare certainly of the people of Alaska, and most specifically the Native Americans that are in that State.

This measure of course has at its heart the opportunity for new alternatives under this law—in other words, especially some degree of protection so that the stock will not be alienated in 1991 as would otherwise occur.

It also provides that option for broadened ownership. For those Native Americans that were not eligible in 1971, that were not born at that time, this will provide an option so that they can become eligible for some land ownership.

Finally, of course, it provides additonal measures that specially address such issues as the land-bank issue and the protection of that land so that Native Americans would not lose their

birthright, their land and their resources, based simply on a tax forfeiture of that land.

Mr. Speaker, as I look at this legislation and I look at what has happened in the lower 48, it strikes me that many of the issues that occurred 50, 60, or even 100 years past in the lower 48 with regards to Native Americans are very much questions that are really in the embryonic stage in Alaska. I hope that we can march forward in an attitude of cooperation and prevent the sort of abuse and misappropriation of Native Alaskan resources that are the birthright to Native Alaskans as has occurred so often in other instances in the lower 48 with regards to Native American people.

I know that that is the spirit with which all of us work in terms of this legislation, and I for one stand ready to work with the chairman and the Member from Alaska to ensure that this doesn't occur, that we can have economic development, but at the same instance that we provide an adequate degree of protection so that the birthright of these Alaskan Native Americans is not lost.

□ 1310

I would ask Members to support this measure. I think I've expressed the spirit with which this legislation has been brought forth. I know it will not be the last time we are dealing with Alaskan Native Americans problems, but I hope that it is a successful effort to accomplish and deal with extending and correcting the 1991 date and other provisions, problems in Alaska Native Settlement Act.

Mr. UDALL. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Ohio [Mr. SEIBERLING] that the House suspend the rules and pass the bill, H.R. 4162, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

DESIGNATING COLLEGE OF WILLIAM AND MARY AS OFFICIAL U.S. REPRESENTATIVE TO TERCENTENARY CELEBRATION

Mr. HAMILTON. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 630) designating the College of William and Mary as the official United States representative to the Tercentenary Celebration of the Glorious Revolution to be celebrated jointly in the United States, the Netherlands, and the United Kingdom.

The Clerk read as follows:

H.J. RES. 630

Whereas the years 1988-1989 signify the three hundredth anniversary of the accession of King William III and Queen Mary II to the throne of England;

Whereas the Governments of the Netherlands and the United Kingdom have established a William and Mary Tercentenary Committee for the purposes of celebrating this event in all appropriate ways, including historical, educational, horticultural, maritime, artistic, scientific, and performing arts activities; and

Whereas the Tercentenary Committee has invited the College of William and Mary in Virginia, founded by their Joint Majesties under a royal charter granted in 1693, to be the New World representatives of the William and Mary Tercentenary celebration;

Whereas the historical and cultural ties of the 1688-1689 period to the constitutional history of the United States of America are profound, including the beginning of the limited and constitutional government and the establishment of the English Bill of Rights; and

Whereas the College of William and Mary desires to organize and participate in celebrations relating to the Tercentenary in this country and in the Netherlands and United Kingdom as appropriate: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the College of William and Mary in Virginia is hereby designated as the coordinating body for the 1988-1989 celebrations relating to the world of William and Mary and its relationship to the former British colonies in America now known as the United States of America.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Indiana [Mr. HAMILTON] will be recognized for 20 minutes and the gentleman from Iowa [Mr. LEACH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Joint Resolution 630, which designates the College of William and Mary as the official U.S. Representative to the celebration of the Tercentenary of the Glorious Revolution of 1688-1689. This celebration will occur jointly in the United States, the Netherlands, and the United Kingdom. I want to commend the gentleman from Virginia [Mr. BATEMAN] for his leadership on this resolution.

Mr. Speaker, celebration of the Glorious Revolution gives recognition to the historic ties between the United States and these two European nations and to the democratic values they share. The Glorious Revolution marked an end to a turbulent, but important, period of British history that had begun with a civil war nearly 50 years earlier. The bloodless Glorious Revolution brought to the English throne William III, of the House of Orange of the Netherlands, and his English wife Mary II. This entire period was critical to the development of Britain's American Colonies and to political thought which influenced the American Founding Fathers. Ideas related to constitutional government and the Bill of Rights developed during this time.

The College of William and Mary was founded in 1693 and took its name from the joint monarchs. In colonial America, the college educated many future American leaders, including Thomas Jefferson. Its name symbolizes the link between the United States and the events of the Glorious Revolution, and thus the College of William and Mary is the proper choice for the U.S. celebration of the Glorious Revolution.

Mr. Speaker, this celebration commemorates the close ties the United States has with two key European allies. It is a reminder of the common political heritage the United States shares with Western Europe. There is, of course, no cost to the Government associated with this resolution.

I urge all of my colleagues to support it.

Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of House Joint Resolution 630, designating the College of William and Mary as the official representative to the Tercentenary Celebration of the Glorious Revolution to be celebrated jointly in the United States, the Netherlands and the United Kingdom.

The years 1988-89 mark the 300th anniversary of the accession of William III and Mary II to the throne of England and will be celebrated with all types of historical, artistic, educational, scientific activities in the United States, the Netherlands and the United Kingdom. The period of William and Mary has enormous historical ties to the constitutional history of the United States and should be celebrated in a manner consistent with the profound impact these ties have had on the formation of our Government.

I can think of no more appropriate body to be the coordinators of the celebrations in the United States than the College of William and Mary and urge the unanimous adoption of this resolution.

Mr. LEACH of Iowa. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution relates more to history than to politics and is thus of singular significance, particularly to this body because the subject

matter symbolizes a benchmark event in the history of legislative power and precedent.

The years 1988 and 1989 mark the 300th anniversary of the accession to the throne of King William III and Queen Mary II, following the overthrow of James II, and the enactment by the British Parliament of a Bill of Rights barring the King from suspending laws raising taxes, or maintaining an army without the consent of Parliament, and from arresting and holding subjects without due legal process.

The Glorious Revolution of 1689 thus is a precursor of the rights we embody in our Constitution and in our Bill of Rights.

The College of William and Mary has been invited to represent the new world as the official United States representative to the tercentenary celebration of this Glorious Revolution which will be celebrated jointly in the United Kingdom, the Netherlands and the United States.

I would urge my colleagues to support this resolution. Few colleges, as the distinguished chairman of the full committee has indicated, are more eminently qualified or historically positioned to represent the United States in such an event.

I would also like to take a moment to commend the efforts of the author of this resolution, the gentleman from Virginia [Mr. BATEMAN]. His concern for history, particularly of his State, but also of the traditions of this country, is very much appreciated in this body.

Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Speaker, I thank the gentleman for yielding and most especially let me add my thanks to the distinguished gentleman from Florida [Mr. FASCELL], the chairman of the committee, the distinguished ranking member, the gentleman from Michigan [Mr. BROOMFIELD], my distinguished colleague of the committee, the gentleman from Iowa [Mr. LEACH], the distinguished gentleman from Indiana [Mr. HAMILTON], and those others who have expedited bringing to the floor this resolution.

Mr. Speaker, the remarks that I have prepared for presentation at this time, I find have already, in the main, been made by those who have preceded me. But let me simply say that the Glorious Revolution of Great Britain is indeed a historic occasion, not just for the people of Great Britain, but for the people of the United States of America, for it was through the Glorious Revolution that representative government and the accendency of the English Parliament over the English monarchy became a reality of British political life, and ultimately through the work of our Founding Fathers, was translated into the political reality which has been the keystone and the core of American representative government.

As a graduate of the College of William and Mary at Williamsburg, in Virginia, as the full official title would go, I am especially pleased to have been able to offer this resolution. For it was at this venerable educational institution chartered by their Majesties King William and Queen Mary in 1693 that Thomas Jefferson was educated, that George Washington was educated, that Geoorth Wythe was educated, a signer of the Declaration of Independence, and a host of others.

It is for that reason with some degree of immodesty that we who are close to venerable College of William and Mary refer to it as the alma mater of the Nation.

I am indeed pleased that this resolution has come from committee to the floor and earnestly urge my colleagues to give it their unanimous support.

Mr. Speaker, I rise today in support of House Joint Resolution 630, which I introduced designating the College of William and Mary at Williamsburg in Virginia as the official U.S. representative to the tercentenary celebration of the Glorious Revolution. This commemoration will be conducted jointly by the United States, the United Kingdom, and the Netherlands.

The celebration of the year-long event will take place in the United States, the United Kingdom, and the Netherlands with many events planned. By designating the College of William and Mary as the official U.S. representative, we will be demonstrating our intent to join in a celebration of freedom with two of our closest allies.

The Glorious Revolution in 1688 established a new era in representative government with the dethroning of King James II and the peaceful accession to the throne of King William III and Queen Mary II. Our Nation's constitutional government and the Bill of Rights were based in part on the English Bill of Rights and the writings of John Locke, both of which resulted from the Glorious Revolution.

Thomas Jefferson, author of the Declaration of Independence and one of our Founding Fathers, studied the philosophers and the democratic therories of the Glorious Revolution when he was a student at the College of William and Mary. The influence of these democratic thories later helped influence the American Revolution. In 1986, almost 300 years after the Glorious Revolution, our Nation still holds those ideals of freedom, equality, and justice as the core of our American Government.

The College of William and Mary was established by royal charter in 1693 by King William and Queen Mary making the institution the ideal representative for the commemoration of this important historical event. Such a designation for the College of William and Mary will demonstrate our Nation's strong support of this celebration. In addition, the College of William and Mary's enhanced ability to raise private funds would allow the United States to make a meaningful contribution to this event at no cost to Federal taxpayers.

Mr. Speaker, I know of no oposition to House Joint Resolution 630 and I urge my colleagues to support this resolution.

Mr. BROOMFIELD. Mr. Speaker, I support this resolution which designates the College of William and Mary in Virginia the coordinating body for the upcoming celebrations relating to the world of William and Mary, and commend the sponsor, the gentleman from Virginia [Mr. BATEMAN] for offering the resolution. Also, I want to thank the gentleman from Florida, Chairman FASCELL, for expediting consideration of the resolution.

The tercentenary celebration will take place in the United States, the Netherlands and the United Kingdom.

As we all know, the years 1988 and 1989 mark the 300th anniversary of the accession to the throne of England of King William III and Queen Mary II. To mark that special occasion, the Governments of both England and the Netherlands have established the William and Mary Tercentenary Committee for the purpose of celebrating this event. Given the fact that King William III and Queen Mary II founded the College of William and Mary in 1693, the Tercentenary Committee has invited that college to be the new world representatives in the upcoming celebration. This important event will be marked by historical, educational, artistic, and other related activities.

It is only appropriate that the College of William and Mary be designated as the coordinating body for the celebrations relating to the world of William and Mary. I urge my colleagues to join me in supporting this commendable resolution.

Mr. LEACH of Iowa. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. HAMILTON. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana [Mr. HAMILTON] that the House suspend the rules and pass the joint resolution, House Joint Resolution 630.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on

House Joint Resolution 630, the joint resolution just passed.

□ 1320

RECOGNITION AND SUPPORT OF EFFORTS OF THE U.S. COMMITTEE FOR THE BATTLE OF NORMANDY MUSEUM

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 356) to recognize and support the efforts of the U.S. Committee for the Battle of Normandy Museum to encourage American awareness and participation in development of a memorial to the Battle of Normandy, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore (Mr. MONTGOMERY). Is there objection to the request of the gentleman from Indiana?

Mr. LEACH of Iowa. Mr. Speaker, reserving the right to object, I would like to ask the distinguished gentleman from Indiana [Mr. HAMILTON] to describe what is occurring here at the moment.

Mr. HAMILTON. Mr. Speaker, if the gentleman will yield, I rise in support of Senate Joint Resolution 356, which states the Congress' support for the creation of a museum in Normandy, France, to commemorate the Allied effort in the Battle of Normandy and recognizes the efforts of the U.S. Committee for the Battle of Normandy to encourage understanding among the American people of the importance of this battle. This resolution was approved in the Senate on July 23 and is similar to House Joint Resolution 647, introduced by our colleague from Florida [Mr. GIBBONS]. I commend him for his leadership on this matter. It is under consideration at an important time. The people of France already are taking measures to establish the museum for this historic campaign.

Mr. Speaker, it is important that young Americans and Europeans alike understand the significance of the Battle of Normandy. The invasion on June 6, 1944, and the subsequent hard-fought battle into August played a major role in shaping the modern world. The Western allies—the United States, Britain, Canada, the Free French, the Free Poles, and small units from the Nazi-occupied Benelux countries, fought Nazi forces through the pastures, hedgerows, and streams of Normandy. In the East, the Soviet army was pushing into Eastern Europe. When the Western allies finally broke out of Normandy in August into France's heartland, they were able to set in motion the final campaign which led to the defeat of Nazi Germany in May 1945. Thus, the Normandy campaign helped shape the modern map of Europe. It symbolized the victory of the wartime allies, and it set a precedent for allied cooperation which was the basis for the close ties of today's Atlantic Alliance.

Mr. Speaker, the Battle of Normandy played a crucial role in our modern history. On D-day alone, 1,465 Americans were killed; another 1,928 were missing in action. I can think of no better tribute to the memory of the soldiers who fell on D-day and the following days of the Normandy campaign than this museum.

I urge my colleagues to support this resolution.

Mr. LEACH of Iowa. Mr. Speaker, under my reservation, I yield to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I support Senate Joint Resolution 356, to recognize and support the efforts of the U.S. Committee for the Battle of Normandy Museum to encourage American awareness and participation in the development of a memorial to the Battle of Normandy. A companion resolution, House Joint Resolution 647, was introduced by my friend and distinguished colleague from Florida [Mr. GIBBONS], who is a veteran of that great battle.

Mr. Speaker, the Battle of Normandy was one of the most critical battles in American history. It was a testament to American resolve and know-how, because of the magnitude of the operations at Normandy, and the significance that battle had in turning the tide of the war. It is only fitting that we recognize the enormous sacrifice of the brave men, both living and dead, who fought that battle.

Mr. Speaker, we should support the efforts of the French people in establishing a memorial museum to commemorate the great allied efforts on the beaches of Normandy, as well as supporting the efforts of the U.S. Committee for the Battle of Normandy Museum in their efforts to encourage better understanding among the American people of the significance of this battle. I urge the unanimous adoption of this resolution.

Before closing, I want to note for the record that due recognition should be given not only to the brave heroes who gave their lives at the Battle of Normandy, but some recognition to those who participated in that battle who are still alive; particularly Members of Congress like our distinguished Speaker in the chair, Mr. MONTGOMERY, our distinguished colleague from Florida, [Mr. GIBBONS], and many others.

The battle was a long time ago, and we are all fortunate they have survived and are continuing to make great contributions to the needs of our great country.

Mr. LEACH of Iowa. Mr. Speaker, under my reservation of objection, I would comment that I, on behalf of the minority, would echo the entire sentiments of the majority. Having had a father who was in one of the first waves at Omaha Beach, I would simply suggest as well that one of the great events in world history is symbolized in the endeavors of the gentleman from Indiana [Mr. HAMILTON]. The Battle of Normandy was perhaps the greatest secret in American history, if not world history; the Germans did not know it was the only invasion of significance.

If any of us are to realize that there are times in American national life where intelligence is important and patriotic unanimity of singular significance, the Battle of Normandy could well symbolize it. Military historians inform us that if the Germans had an inkling of our precise intentions, the invasion might well have been repelled.

With that as a final comment, I would say on behalf of the minority, we certainly approve of the strong support of the majority for this particular endeavor.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 356

Whereas the battle fought in Normandy, France, in the summer months of 1944 was the largest land battle in history and considered by many to be the turning point of World War II in Europe;

Whereas the Battle of Normandy is one of the first examples of successful Allied military efforts to defend liberty and perpetuate freedom;

Whereas the people of France are creating a memorial museum and study center in Normandy to commemorate the Allied effort and provide future generations of students and others an opportunity to study and understand the causes of the European conflict and the role played by the Allied Governments and military forces in the successful resolution of that conflict; and

Whereas a United States Committee for the Battle of Normandy Museum has been created to inform Americans and encourage support of the museum and study center: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Congress recognizes and supports the historic and educational purposes to be served by the museum and study center in Normandy, France, and of the United States Committee for the Battle of Normandy Museum to encourage understanding of and support among Americans for such an important memorial.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERSONAL EXPLANATION

Mr. McMILLAN. Mr. Speaker, on July 24, the day of the vote on H.R. 5172, the Agriculture appropriations bill, I was in Charlotte, NC, arranging financing for incoming hay supplies to my drought-stricken congressional district. North Carolina will need over 2 million tons of hay between now and March of 1987, and this financing, a critical component of a long-term solution, required my immediate attention.

Had I been present I would have voted in favor of this bill.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members be permitted 5 legislative days in which to extend their remarks, and to include therein extraneous material, on the bill, H.R. 2518, which passed the House today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, today I wish to continue the line of discussion that I had sustained a week ago, but also go back to a fundamental series of economic—financial—banking concerns that I first discussed 24 years ago, the second year that I was in the Congress.

Even before then, I would like to say for those such as some citizens who have called or have written, when they have read the title of my remarks as "My Advice to the Privileged Orders."

The reason is that a couple of years ago, after having spoken at great length and on many occasions on these issues, and realizing that, as we say back home in Texas: It was like a coyote braying to the moon in a cactus patch.

I thought that I would, instead of offering initiatives and reintroducing and discussing those ad nauseum; some of these initiatives having been introduced as long as 20 years ago.

□ 1330

For instance, the beginning then of what now is endemic, that is the mergers, these vast swallowings of corporate banking and other enterprises, and which has literally sucked up and tied up all of the main assets of this country. That is, the money assets, where what we have now in our country is a vast frozen lake of monetary, financial, credit assets that really belong to the people, were and have always been created for the people's use in promoting the industries, in firing the engines of commerce and in making it possible for the small entrepreneur, the backbone of our country's economy, to have affordable credit in order to conduct his business.

That was 20, 23 years ago in which I was accused of being a Cassandra, a predictor of gloom and doom, but usually the persons who spoke that way were persons who had neither listened to nor read the contents or the thrust of my remarks.

What I was saying and continued to say and said before I ever thought I would be in the Congress was that you cannot, and all history clearly reveals this, a history that goes back to 7,000 years before Christ, in any human endeavor have what has been defined variously, first in religion then in law, and then in the processes of the intercourse in commerce, as usury, or exploitative, or predatory rates of interest.

Interest by definition is the most inflationary of forces in the economic existence of mankind. For some good reason, as far back as the code of Hammurabi, 7,000 years before Christ, usury was punishable and even at the time that Jesus Christ was preaching, usury was punished.

In fact, even interest of any kind was punishable as a crime. And the ancient pre-Christian Jewish judges and kings mandated punishment for such things as what we call interest today.

Of course, we are talking of a very crude economic existence but nevertheless the equivalent to our more complex living today.

Man has not changed much as to his nature and his propensity to be greedy and insatiable as it said in the Scriptures, "He who desires silver shall not be satisfied with silver, and he who seeks increase shall not be satisfied with increase." That means that there is one aspect of human behavior that seems to proclaim that the more one has, the more one wants.

One reason why governments were set up in the very dim dawn of mankind's civilization was for that very fact that there are forces that only collectively can mankind regulate these predatory and exploitative practices.

The fact is that you did not have to be an expert 20 years ago when we had the first so-called credit crunch in June of 1966. Contemporaneously in that month on June 19, to be exact, the prime interest rate was jacked up 1 whole percent overnight.

Now, some people say, "Well, what is this all about?" Well, I pointed out then that there was not historical precedent for that; even during the height of the Civil War the prime or what we call now—it has been so redefined that we have such an abuse of language today, we are living in a full Orwellian world—what we were defining as prime interest rate in 1966 was jacked up by 1 whole percent.

That had not happened even during the height of the Civil War. All wars bring about the concomitance of inflation, price gouging, war profiteering. And our Nation today is so inured to being a war economy based type of activity that we do not even realize it. Of course the war profiteering that goes on today in light of a $315 billion war budget—I do not call it a defense budget; it is no more a defense budget than the budget of the city of San Antonio is a defense budget—it is a war budget.

President Reagan has opted for war from the very beginning. He is convinced, and those around him, that they know how America can go back, get in a war and win it. So they are talking about what they call the low-level or low-intensity type of wars. But the best laid plans of mice and men often go awry. Fortunately, the American people will not take too long to realize the impact, as we are beginning now. But in 1966, when I raised the issue with the then chairman of the Committee on Banking that this augered bad, why? Because in 1865 at the time the National Currency Act was passed, we also eliminated the National Usury Act.

Nationally, we have never had a usury control act since 1865, which was right about the time the Nation was trying to lick its wounds from the Civil War.

The States have had, some in their constitutions, as in my State of Texas, usury defined at certain rates. But in 1966 I pointed out to the then chairman of the Committee on Banking that if the Congress did not look into this matter to try to get the President and his concern about it, that being that there was no legal limit, that it was conceivable that someday—and nobody at that time thought it would be soon, and that is why I was dismissed rather casually—someday there would be astounding limits.

Well, it took a few years, actually 15 years, because by 1980 in the late fall of that year, astoundingly the prime interest rate was hitting 21 percent. This was capitalized on right before the November election by then candidate Ronald Reagan. President Carter also tried to do what some of his pred-

ecessors had done, as they are doing now—some of the other issues that I have referred to such as defense budgets and war budgets—in the hope that, if you put it under the rug, it would be overlooked and everything would come out all right in the end.

But in 1966 the handwriting was on the wall. I spoke out. I took the floor. We must remember that I have been speaking on this privilege we call the special category of special addresses to the House after all legislative business since I first came to the Congress. I had not been sworn in 2 weeks before I had a special order. There was no TV coverage, and I was not and I am not now speaking to TV. I am speaking to the RECORD for my colleagues who might at this moment be listening in their closed-circuit apparatus or will read the RECORD if they are interested tomorrow. And also because I feel the responsibility as a memer of the Committee on Banking, from the very beginning, to go on record.

My point is not that I am trying to dictate; it would be foolish to think that I would have that kind of an influence. But I am on record. Everything I have said you can verify by looking at the RECORD. But, finally, a couple of years ago recalling Joel Barlow, the great American patriot who was one of George Washington's Army chaplains, but was also a pamphleteer and a real revolutionary, he had gone to Europe, was a great friend of Tom Paine and the other pamphleteers and revolutionaries. And he addressed a series of articles or essays to the privileged orders of Europe and elsewhere. We must always remember that the American Revolution was almost contemporaneous with the intense French Revolution, which, in the context of that day and time, and the word then fearfully expressed on the lips of Englishmen and Americans was "Jacobin" because those were the radicals of that day. Those were the ones that were guillotining and chopping the heads off the aristocracy in France. The French Revolution of the 18th century was the equivalent roughly of the revolution in Russia in 1917 and thereafter, in the 20th century, to us.

Really, basically there is a sort of a rhythm to these great thresholds of human endeavor in seeking and obtaining liberty. I guess the big lesson that all history shows us is that liberty never is won permanently. I think this is what we Americans have become very complacement about and think that we are forever insured and that we have a self-perpetuating type of governmental and representative democracy. I frankly feel it is very, very fragile. I think it is fraught with danger at this time with a President whom we have placed in power. And the people themselves have done it, so there is nothing to quibble about that.

The point is that I then decided that I would address myself in the same vein, not that I would have the presumptiousness to compare myself to a genius such as Joel Barlow, but that I thought it was very much a similar period of time in that we now are the privileged orders in the United States.

Members of Congress, supposedly the representatives of the people, freely chosen in an electoral process, surely we would be a privileged class. Economically our rate of pay is not exactly a misery. Perhaps it is not what it ought to be, but I think it is reasonable and that it places us, compared to the vast overwhelming preponderant American wage earners, and compared to the median average wages earned in this country, we are in that upper group, upper privileged apex.

But the people that are in control, that is those who shape and mold the policies, are not in the Congress. Those that are surrounding the President, these great corporate oligarchs and particularly the very, very intensely interconnected and now highly concentrated banking interests that today allegiances are very, very ephemeral. We are talking about multinational banking institutions.

Remember that the dollar, per se, has no conscience. It is going to go where it can make more dollars.

But in that process that I was trying to say in 1966 was that the handwriting was clearly on the wall and that, unless either the President or the Congress reviewed and said just what does this mean, how many businesses in the summer of 1966 found themselves facing that credit crunch?

□ 1345

What do we mean by a credit crunch? What I mean is that suddenly, the normal processes of the allocation of credit are stopped, are bottled.

The history of our country clearly shows that that has been the basic underlying issue from the very beginning of our national existence. Our national existence began with the Continental Congresses, the First and the Second. What we do not realize is that even they had to have bankers. So they chartered what they called the Bank of North America, private bankers.

Oh, they would have charged a lot of interest, but you had men like Thomas Jefferson, who cried out and bellowed. In fact, if I were to use the words of Thomas Jefferson toward bankers, I would be excoriated throughout the country. I would be called vindictive and unfair for blaming bankers and all of that. But Thomas Jefferson clearly saw the issue.

The issue reappeared soon after the Nation began its form of government that we enjoy, that is after the approval of the Constitution, the setting up of the Congresses and the executive branch and the judiciary. Then there was the beginning of the first U.S. Bank, and the second charter of the U.S. Bank, which, by the time President Andrew Jackson who, incidentally, I will remind you, was a people's, common-folk President, and his doing away with that bank.

What were the reasons? The reasons were simple, that none of the national leaders were willing to sell out the national interest and the power to control the allocation of credit to these private endeavors known as the private banking system. So they hemmed them in. In 1837, or thereabouts, they shifted it to the formation of State banks, thinking that if you diffuse, only to find out to their horror when the Civil War broke out that you had concentration and equal abuses even on that level.

What was on President Lincoln's mind? The way he died, that issue. He was speaking about it. He was peering into the future, he said, and he was very concerned about the concentration of these resources and these banking interests that not only survived the war, after all they did not go put their money in the war, they became richer during the Civil War. They all did and they are doing it now.

Mr. Speaker, at this point, I wish to offer for the RECORD from the New York Times, Sunday, July 27, the business section, an article entitled "The Sudden Wilting of Reagan's Rosy Economy."

The article follows:

THE SUDDEN WILTING OF REAGAN'S ROSY ECONOMY

(By Peter T. Kilborn)

WASHINGTON.—Just six months ago everything looked so good. Interest rates, oil prices and the dollar were all down, and many economists expecting better days, applauded the luck and work of Ronald Reagan. But by summer the economy had turned resoundingly weak. And the President's economic record has suddenly been thrown into doubt. Mr. Reagan's free-market goals for growth and smaller government are being thwarted: The growth has been slow, and the Government's role in the economy has yet to shrink. Worse yet, the giant budget deficits, created in part by the President's earlier budget policies, have begun to look intractable again. The record of the Reagan Presidency, which seemed so promising earlier this year, is looking frayed and fragile.

"The large deficits are coming home to roost," said Senator John H. Chafee, a Republican from Rhode Island who has sided with the President on many issues. "It doesn't bode well for this country. We've got some awful signs out there. But the President is awfully stubborn about reaching compromises with things like defense spending, taxes and Social Security. As a bargainer he should be tough, but he goes beyond the point of reason so we don't succeed in getting the deficit down."

And Hugh Heclo, a Harvard professor, in an Urban Institute study of Mr. Reagan's record, wonders whether he will be viewed

as a President who "stored up problems for the future."

For now, it appears that the judgments of the future are being colored by the soft economy. Although the President's own economists are predicting a strong second wind for the economy in the last months of this year and all of next, most private forecasters doubt things will get much better. A few even think a second Reagan recession is just ahead. The President, of course, has more than two years left in office before the historians take him on, and no one denies that he has already proven an extraordinary innovator. The inflation that dogged his three predecessors is no more than a memory, the benefits of lower interest rates and falling oil prices are still at work, and it is easier to buy a house than it has been since the 1970's.

But the Administration's revolutionary rhetoric—of a booming, free-enterprise economy—may be proving out of reach. In remolding the economy's structures, President Reagan has probably been as influential as Lyndon Johnson, if not Franklin D. Roosevelt. But in terms of economic performance, he is now doing little better than Jimmy Carter and Gerald Ford. Inflation is lower but unemployment is higher and growth slower.

The President promised a supply-side boom in personal savings and industrial expansion, and he has been getting neither. The nation's savings rate has dropped below 5 percent, from 7.5 percent five-years ago, and business investment, after strong gains, has barely changed from a year ago. He promised 4 and 5 percent growth year upon year and is getting half that. Last week's report of a mere 1.1 percent rise in the gross national product during the second quarter brought first-half growth down to 2.4 percent.

In 1981, the President said his policies would add 3 million more jobs to the economy, but none has surfaced. In fact, the economy has lost 1 million manufacturing jobs since Jimmy Carter left office, and the unemployment rate languishes where it did when Mr. Reagan took over, around 7 percent. Poverty has grown a bit during the Reagan Presidency, not declined. It has fallen among the old, but grown among the young.

Above all, the President promised a balanced budget, but his insistence on raising military spending, his refusal to raise taxes and his reluctance to cut back on Social Security have pushed the deficit beyond what anyone imagined it would be when Mr. Reagan took office. The deficit seemed certain to decline this year from last year's record of $212 billion, but the slower economy is pushing it up again. As a share of gross national product, it has fallen a bit but it continues to hover over the economy.

"When you look at the charts of the future, you won't be able to see where Reagan began and Reagan left off," and Herbert Stein, economist at the American Enterprise Institute, President Nixon's chief economist, and an outside adviser of President Reagan. Mr. Stein praises the President for his forbearance during Federal Reserve Chairman Paul Volcker's assault on inflation, something he said few other Presidents would have tolerated for so long. But he faults him for the budget deficits.

"The main criticism you can make is the disparity between the accomplishments and the claims," Mr. Stein said. "The claims were really incredible."

Added Democratic Senator Daniel Patrick Moynihan of New York: "After almost six years, you can say nothing's changed."

Some of the economy's failings, to be sure, cannot be laid to the Administration: Economists trace some to a recession that was not the president's doing but was, instead, Mr. Volcker's. The excesses of previous Administrations, in larding the budget with programs that have grown like beanstalks, cause problems. So do the policies of other governments—notably Japan and West Germany—that now wield immense power over an American economy that could once ignore the rest of the world. But the President did have a lot to do with another problem that also accounts for the economy's weakness—his six-year trail of budget deficits.

The economy's overall performance aside, President Reagan has presided over some stunning changes in the economy's tone and character. The public's expectations for the future, essential to keeping the economy rolling, stand close to record highs as measured by the leading surveys of consumer confidence. That stems partly from the drop in inflation and also from the fact that the economy still manages to grow, albeit sluggishly.

The President has also proven more innovative and responsive to new ideas, with few partisan scruples about their provenance, that anyone since Lyndon Johnson and perhaps since Roosevelt. He led, for example, the march to an overhaul of the tax system that is based mostly on the "flat tax" theories of Democratic Senator Bill Bradley from New Jersey.

With that, and with his tax-rate cuts in 1981 the President appears to have set back the 50-year-old notion that governments should use their taxation powers to redistribute incomes from the rich to the poor. Instead, he argues, all do better when all pay less.

With the budget and tax policies, he has also beaten back powerful special interests—big unions and big lobbies. He has expanded the deregulation of industry that President Carter started. He has reawakened the spirit of entrepreneurship, spawning a proliferation of new businesses. And his commitment to privatization and free enterprise has proven infectious. Scores of other governments now—from Europe to China to the debtor nations of Latin America—have adopted these Reaganesque doctrines.

But the record so far makes these testing times for Reagan economic policies. Congressional elections loom in November. If the slow economy persists or sours, the President risks losing the six-seat Republican edge in the Senate, his principal ally in nailing down the planks of his economic system. Pollsters say that the electorate votes for change or continuity according to how well the economy has treated it over the prior three or four months. The majority of voters, concentrated in the East and California, have been well, but those in the numerous states of the farm belt and the oil patch are mired in recessions.

These are testing times for another reason. The President's budget deficits are such a burden now that even the President says he is committed to respecting the terms of Congress's Gramm-Rudman-Hollings balanced-budget law to bring them down. To meet the law's objectives, however, the President risks violating such major promises of Reaganomics as the refusal to raise taxes, to protect Social Security or to cut military spending.

"There has to be an admission that in some of these areas where we least like to make concesions we're going to have to make concessions," said Richard E. Heckert, the chairman of DuPont, whose views reflect those of most of big business.

If the deficits are brought under control, the feature of his economic policies that might set the President apart from his predecessors could be his struggle with the Goliath of government—in making it smaller, or at least in restraining its growth.

For the moment, his record there is mixed. Over most of the last three decades, Federal Government spending hovered around 19 percent of the gross national product. It climbed to 21 percent under President Carter, and to 24 percent three years ago, where it appears to have stabilized. Thus the Reagan Government is still substantially larger than President Carter's. Some of the increase, however, had been built into the budget by previous Presidents, so merely stopping the rise might be judged an achievement.

"When Reagan came to power," said the Deputy Secretary of the Treasury, Richard G. Darman, "the U.S. was heading slowly, steadily, incrementally toward a European-style mixed economy" with large, state-owned business competing with private industry. "The significant Reagan contribution," he said, "is that he stopped that trend. That is an absolutely fundamental contribution."

Still, the Administration believes that with all it has done to foster free enterprise, the forces of an interdependent world economy now often undermine Reagan policies. Falling oil prices and erratic worldwide declines of other commodities have been lucky breaks for the President in pushing inflation down, but the speed of the declines has upset regions and industries whose livelihoods are tied to the commodities. Many of those difficulties originate with developing-nation governments whose interests often conflict with those of the American economy.

Then, West Germany and Japan—staunch allies in most matters—are also causing trouble, Mr. Volcker and Treasury Secretary James A. Baker 3d keep appealing to Bonn and Tokyo to revive their soft economies with Reaganesque cuts in taxes and interest rates.

If they did so, the administration assumes, their more prosperous consumers and businesses would buy more American goods, and the buying would help to reduce the stubborn American trade deficit. The deficit—a record $148 billion last year, and at least as much this year despite the 18-month decline of the dollar—is a measure of some of the jobs that have been lost to foreigners. Without that deficit, with a favorable balance in foreign trade, the economy would be growing two percentage points faster than it is now. That, in fact, would be just what the President promised five years ago.

But West Germany and Japan have declined to go along. They say they fear a rise in their own budget deficits and higher inflation, and as the American experience testifies, these are legitimate concerns.

But there is another reason that Germany and Japan do not advertise. For reasons of pride or comfort, they habitually run big surpluses in their trade, and the surpluses, the flip side of the American deficits, have been running uncommonly high. This might seem good for them but it is bad for their trading partners. One country's surplus is a drain on another's economy, and the conse-

quences of such drains can boomerang on the surplus country by slowing the world economy. Economists say countries can assure a sound world economy only if all try to keep their trade in balance.

But the American budget deficit makes balanced trade a difficult goal. For trade to work in America's behalf, the dollar must be lower. But despite its declines, the dollar is only halfway back to its lows in 1980, largely because relatively high interest rates still lure foreigners into buying dollars and financing the American deficit. And because of the relatively high world rates, all countries are performing worse than they otherwise might, undermining world trade.

For his part, the President had expected his supply-side policies would generate new Government tax receipts to tame the deficit. But the magic didn't work. Instead, the President and Congress took a national debt of nearly $1 trillion, amassed over more than 200 years, and doubled it in six years. Legions of foreigners bought the Treasury securities that finance the debt, and now a nation that was once the world's biggest creditor is now the biggest debtor. According to Harvard's Mr. Heclo, the difference between the Reagan Presidency and its predecessors, "is that Reagan's America is more heavily mortgaged at home and abroad than ever before in peacetime."

The deficits cause the President another problem. They bleed the budget for interest payments, leaving the President that much less to spend on Government programs, including those he favors. Interest on the national debt is expected to come to about 14 percent of the budget this year. In 1980, when interest rates were more than twice what they are now, the payments amounted to 10 percent, and in 1970 they were 7 percent. In holding up interest rates, the deficits also weaken the ability of business to borrow and invest, jeopardizing another goal of the Reagan economic plan.

Some conservative economists maintain that a sound economy requires a balanced budget. Most economists and all other Presidents since Roosevelt, however, have accepted the notion of the late British economist, John Maynard Keynes, that a deficit is a useful and even essential tool to lead a country out of a recession. Once a recovery is assured, however, governments should let the deficits fall, which frees them to tackle the next recession.

That is something President Reagan did not do. Quite to the contrary, in 1981 he cut taxes, saying that would propel the country to his new era of supply-side prosperity. But unbeknownst to him, a recession was beginning in the summer of 1981 just as the tax cuts took effect. Eighteen months later the economy rebounded from the recession, thanks to the tax cuts.

"None of the domestic economy's success then, in terms of the business cycle, would have happened without the deficits," said Albert M. Wojnilower, the chief economist at the First Boston Corporation.

But unlike a convention Keynesian, the President kept building deficits. "He got the economy running again," said Barry P. Bosworth, an economist at the Brookings Institution and President Carter's inflation fighter. "Now he's got the economy borrowing way beyond its means."

Such critics marvel at how President Reagan has succeeded in holding his popular support in the face of the deficits, the slow economy and high unemployment. "We've had a lot of anti-empiricism in national discourse," said James David Barber, a political scientist at Duke. "Political discourse in the nation has been reduced to a balance of sentiments." President Reagan, he said, seems to fascinate the electorate much as Mr. Barber says he fascinates his own children when he drives up to a stop light. "I command it to turn green, and it does. They're really impressed."

Michael Boskin, an economist at Stanford, says other Presidents would have been put on the defensive by the Reagan economy's performance. "Don't you find it remarkable," he said, "that 7 percent unemployment, 3 percent growth, and 3 percent to 4 percent inflation and is considered pretty good? Four percent inflation made Nixon impose wage and price controls. When I was a graduate student in the sixties, the rule of thumb was 4-4-1—4 percent growth, 4 percent unemployment and 1 percent inflation."

Added Mr. Bosworth: "Jimmy Carter would have been vilified for a 7 percent unemployment rate, and now unemployment is way down the list of national concerns."

Despite all that, some believe President Reagan may be doing a better job than the man who might have been President, Walter F. Mondale, the President's last challenger, rebuffed Senator Bradley's tax system proposals, which are likely to prove an important achievement of the Reagan era. And he proposed raising taxes two years ago to lower the deficits.

But by the summer of 1984, the chance to cut the deficit, provided by a rapidly growing economy, had already passed. The economy was sliding into the slowdown and it has not advanced much since then. Had Mr. Mondale raised taxes, he might well have tipped the economy from a slowdown into something ugly.

"Democrats," said Peter L. Bernstein, a Democrat and an economic consultant in New York, "would have gotten us deeper into the mire."

I thought that was quite rare. I never have seen or witnessed a real recovery. I have seen some that did not recover but they profited. I will read just a few things that kind of surprised me.

Just 6 months ago, everything looked so good. Interest rates, oil prices and the dollar were all down. Many economists who expected better days applauded that look and work of Ronald Reagan.

Then down below, all of a sudden, the author, Peter T. Kilborne, says:

For now it appears that the judgments of the future are being colored by the soft economy. The President's own economists are predicting a strong second wind for the economy in th last months of this year and all of the next. Most private forecasters doubt they will get much better. A few even think a second Reagan recession is just ahead.

Now wait a while. This is the first allusion to the first Reagan recession I see in print. Everybody, including a host of my colleagues on the other side of the party line, have been proclaiming the great, great recovery. I have never heard any words of recession, even though I was saying, "Hey, wait a while."

I have had a record number of small businessmen go out of business here in my district. I do not know of a small businessman—when I say small, I mean a small, small businessman. I am not talking about our national definition of small. That would be a giant in my city. I am talking about a small businessman who has a little establishment, who has about three or four employees, and he needs to go to the bank to borrow $3,000 for either an inventory or a line of credit. I was saying, how can this be a recovery if he still has to pay 17, 18, and sometimes 19 percent interest rates? There was all of this so-called downturn on interest rates. How much does a little man going to the bank to borrow $2,000 today have to pay by way of interest?

Well, I will tell you it is not going to be 9 percent. It is not going to be 10 percent. Not for him.

So where are we in such a great suddenness finding that there is a second Reagan recession around the country? Where was the first? This is the first time that I see it alluded to.

Then I would like to introduce No. 2, this one from the Washington Post, also from yesterday, Sunday, July 27, in the business section. It is headlined, "Economic Slowdown Puzzles Analysts."

The article follows:

[From the Washington Post, July 27, 1986]

ECONOMIC SLOWDOWN PUZZLES ANALYSTS

(By John M. Berry)

The abrupt slowdown in the second quarter—following growth in preceding quarters that was more robust than earlier believed—left analysts puzzled last week about where the economy is headed.

The Commerce Department said the economy had grown more strongly in 1985 and the first quarter of 1986 than had been reported earlier, but then estimated only a 1.1 percent rate of increase in the gross national product, adjusted for inflation, for the second quarter.

In the second quarter, American consumers, businesses and governments actually increased purchases of goods and services bought for their own use at a hefty 5.5 percent annual rate, even after taking inflation into account.

Demand growth that strong usually would mean the U.S. economy was doing well, but the summer of 1986 is hardly a "normal" period in American economic history. The 5.5 percent rate of increase in final demand by domestic purchasers translated into anemic 1.1 percent GNP growth. Why did the demand growth not produce a bigger number for GNP?

Two equally large factors intruded: First, a surge in imports of foreign goods satisfied a substantial part of the increase in demand; and second, business bought fewer goods to put into their inventories than they had bought in the first quarter. Both developments meant the demand for domestic production rose very little.

Meanwhile, the 5.5 percent rate of increase in domestic final demand included what many analysts believe to be an unsustainably large rise in consumer spending—up at a 5.9 percent rate. There was also a significant increase in housing construction and a small decline in business investment in new plants and equipment.

It added up to a peculiarly mixed bag that left forecasters wondering what comes next.

Part of the further deterioration in the U.S. trade balance was due to a sharp increase of about 1 million barrels a day in the volume of oil imports. That increase is not likely to be repeated this quarter, even if the volume does not fall.

That's important, analysts say, because it is the steady worsening of the trade deficit, not just its size, that keeps sapping the growth of demand for domestically produced goods and services. If the trade deficit does begin to shrink, then that will become a plus rather than a minus for GNP corporate profits and jobs.

But there could be some improvement as a result of the large decline in the value of the dollar during the past year and a half, compared with the Japanese yen, the West German mark and some other currencies. A declining dollar makes imports from such countries more expensive.

The initial effect of the dollar's drop was to lower margins significantly from artificially high levels produced by the rapid increase in its value between 1983 and early last year.

Alan Greenspan of Townsend-Greenspan & Co. estimates that operating profit margins on U.S. merchandise imports peaked at about 11 percent in February 1985. Margins fell for about a year and have started to recover, and that recovery has begun to show up in the price of imports. Between January and May, the latest figures available, prices of non-oil merchandise imports shot up by more than 11 percent.

"During the same period, total merchandise import prices fell by about 5 percent, but this, of course, is due to the dramatic decline in the prices of petroleum products," Townsend-Greenspan told its clients recently. By the end of this year, if continued, import prices can be expected to go up another 10 percent "at a minimum," adding about 1 percentage point to the rate of inflation during the period.

These large increases in the cost of imported goods ought to encourage purchases of relatively more U.S.-produced goods and, therefore, at least some reduction in the trade deficit. Just when such a turn will come remains only a guess.

Inventories are somewhat less of a puzzle, though they, too, can behave in unpredictable ways from one quarter to the next. The major factor in the second quarter appears to have been the big effort by the automobile manufacturers to reduce the stocks of unsold cars on dealers' lots by offering cut-rate financing.

While the rate at which businesses will be adding to their stocks of goods on hand could fall further this quarter, most analysts do not expect nearly as large a reduction as occurred in the second quarter. In other words, inventories should be much less of a drag on GNP this quarter, and possibly could be a positive factor.

The Reagan administration will release a revised economic forecast next week. It will show an increase in real GNP this year of less than the 4 percent predicted in February. However, it will also predict more growth, probably of about 4.5 percent, for 1987, which earlier also was seen as a 4 percent growth year.

The new forecast will call for faster growth in the second half of 1986 than the 2.5 percent rate of the first half, probably enough to produce about a 3 percent to 3.5 percent increase between the fourth quarter of last year and the fourth quarter of 1986.

However, at least one senior administration economist said things could turn out much better than that should trade and inventory figures both turn around together.

"In the second half of the year, you have the potential for one hell of a growth quarter" should that happen, the economist said. "That would represent a huge change in the pressure on some parts of the economy."

The administration economist said the new forecast will not be so bullish because the timing of such changes are impossible to predict.

Meanwhile, smaller gains in consumer spending probably are on the way, the economist added. The 5.9 percent rate of increase in the second quarter might have been overstated as a result of difficulties in dealing properly with declining oil and gasoline prices, so consumers appeared to be buying more of those products than they really did. Spending for consumer nondurables other than oil and gas was up at about a 1.5 percent rate, the economist points out.

Another factor tending to slow down consumer spending, which in the second quarter accounted for 65 percent of CNP, will be smaller increases in personal income in coming months, the official said.

Greenspan pointed to another negative for consumers: Household debt has increased to the point that, despite lower consumer and mortgage interest rates, Americans are obligated to spend more than 30 percent of their cash disposable income to make their monthly payments. That compares with a peak of about 26 percent in 1979 and levels well below that during much of the 1970s.

Moreover, some households naturally have debt repayment burdens higher than the average.

"Should the economy dip into a recession and consumer incomes decline, it is apparent that this would result in severe hardships and possible debt defaults by a number of American families. However, of more immediate concern is that high debt-servicing charges usually restrict the flexibility of households in retail markets.

"Hence, it is difficult to see the strong second-quarter consumer behavior maintaining anywhere near the same pace during the second half of this year," Greenspan concluded.

The same sort of reasoning could be applied to business capital spending, which fell at a 2.6 percent rate in the second quarter after a 15.1 percent rate of decline in the first quarter. Much of the drop so far this year is a direct result of sharp cutbacks in oil industry investment because of plunging oil prices. However, Greenspan said, businesses also have very high debt burdens that have executives worried.

Interest payments soared from around 26 percent of corporate cash flow in 1977 to 43 percent in 1982, before dropping to 36 percent at the end of 1983. But since then, he said, such payments have risen again to nearly 39 percent of cash flow.

With low inflation, corporate executives are reluctant to make capital investments that would add to their companies' debt-service costs and, like the households mentioned earlier, make them more vulnerable to a squeeze should a recession occur anytime soon.

Meanwhile, the large amounts of unused production capacity in most industries and some added uncertainties created by the pending tax revision bill before a House-Senate conference committee also are having a negative impact of some dimension on capital spending.

The remaining portions of GNP, new housing construction and government spending, also are not apt to add much to growth.

Housing remains one of the strongest parts of the economy, chalking up a 15.4 percent rate of increase in the second quarter. Nonetheless, housing starts are not likely to increase above the current annual rate of about 1.85 million units, and that means their positive impact on GNP growth will diminish.

Finally, government spending is seen by many analysts as adding little to growth and perhaps turning out to be another negative factor if Congress is successful in reducing the federal budget deficit as called for under the Gramm-Rudman-Hollings deficit reduction law. Even if the law's deficit targets are exceeded, federal government purchases of goods and services will be cut to some extent.

What does this produce in the way of economic growth during the next 18 months? The predictions range from no growth at all for the rest of this year to an acceleration of growth to the 4 percent to 5 percent range. Take your pick.

They say, "What is the cause of this? Two equally large factors intruded. First, a surge in imports of foreign goods satisfied a substantial part of the increase in demand. Second, business bought fewer goods to put into their inventories."

Well, I guess so. There is a limit beyond which all history shows us. No stable economic situation exists in a society where you have interest rates just gouging and just flogging the inhabitants of that community.

This is what we have had. Nobody has wanted to address the issue. It is considered like an act of God.

For instance, just a couple of years ago, the Chairman of the Federal Reserve Board was patting himself on the back. Ronald Reagan, of course, has never stopped patting himself on the back about how inflation has been controlled.

I have taken the floor numerous times and said, "Where?" I notice some economists said business inflation has decreased. Well, that is nonsense. Inflation is inflation. What does it take a family to live today? I know. I go with my wife and do grocery shopping. I am not paying less for groceries today than I was a year ago. My light and gas bill has gone up 500 percent in less than 2 years. My water bill has gone up 550 percent in less than 2 years. Do you think I am going to tell my constituents that, and do you think they would believe me if I tried, as I think my mayor is finding out right now, that inflation has been controlled, that the cost of living reflects a decrease?

□ 1335

I have news for anybody that wants to advance that. I am going to ask them to please go out and check with

their own constituencies. I do not mean our peer constituencies, socially speaking. I mean the average, little citizen.

Then I offer the third. Here we have all of this sad story and there is another article that I am not going to introduce that talks about one of the biggest, well, the second now, largest bank in the United States having a very, very dim and gloomy outlook. But all of a sudden here, on July 28, that is today, Washington's business section of the Washington Post, you have "Bank Investors Reap Big Dividends." Hey, somebody is making a killing here.

BANK INVESTORS REAP BIG DIVIDENDS

(By Stan Hinden)

Sometime this year, if stockholders and regulators approve, Citizens Bancorp of Maryland will swap almost $50 million worth of Citizens stock for ownership of the small Bank of Damascus in upper Montgomery County.

The largest reported shareholder, Herbert S. Hyatt, a retired Damascus bank president and a director for 44 years, would get Citizens stock valued at $3.4 million in return for his 3,599 shares of Damascus. Several directors of the bank would each get more than $1 million in Citizens stock—almost four times the book value of their Damacus stock before the sale, according to recent bank records.

At the same time, Riggs National Corp., stepping across the District line for the first time, will spend $37.8 million to buy the shares of the Guaranty Bank and Trust Co., of Fairfax. The largest reported shareholder, Elizabeth M. Fairchild of Washington, a director and owner of 64,315 shares, would get $2 million for her stock. Two other directors would get more than $1 million each.

The stockholders of the Bank of Damascus and Guaranty Bank and Trust Co. are the beneficiaries of a second wave of "merger mania" that is sweeping the area banking community, enriching longtime investors and stock speculators.

The first wave of activity began early last year when Virginia banks marched across the Potomac to buy District and Maryland banks. United Virginia Bankshares, Sovran Financial Corp., Bank of Virginia and Dominion Bankshares moved rapidly to expand their franchises, sending the price of area bank stocks soaring by as much as 189 percent. (See chart, page 21.)

For shareholders, one of the most profitable merger deals was the Sovran buyout of Suburban Bancorp in Maryland. When the merger was announced in September, Suburban shares were selling for $61.50 a share. By the time the deal closed in March, each Suburban share was worth $100.60, a gain of 63.6 percent in six months. That was on top of a 46 percent gain made earlier in the year when a possible merger was anticipated.

In the second wave, major institutions are buying smaller banks either to obtain an "address" in another jurisdiction, as in the case of Riggs, or to extend and strengthen their home base, as in the case of Citizens.

The prices paid for small banks in the second wave have had a dramatic effect on some of the stocks, which tend to be held by relatively few shareholders and thinly traded, if at all.

The pattern has been established in four recently proposed mergers involving the Bank of Damascus, Guaranty Bank and Trust Co., Enterprise Bank of Falls Church and Ameribanc Investors Group, holding company for Ameribanc Savings Bank (First American Savings and Loan Association of Virginia).

VALUE JUMPED 277.6 PERCENT

On May 15, a share of stock in the Bank of Damascus was valued by the bank at $250. A month later, after the directors accepted a buyout offer from Citizens Bancorp, that same share of stock was worth $944, a jump of 277.6 percent. Citizens offered to exchange eight shares of stock, selling for $118 each, for one share of Damascus stock.

Emotions ran high in Damascus when Citizens made its controversial offer for the 65-year-old bank. Bank President Walter C. Brown, who has been with the bank for 37 years, voted against the offer, saying he wanted to retain its local control. He was joined by two others on the 11-member board.

Despite his opposition to the merger, Brown said he was angry about critics who said Citizens was paying too much. Citizens, he said, "is being made out to be paying an arm and a leg, and getting nothing. It isn't true."

Bank of Damascus, Brown said, owns real estate worth more than $10 million and securities that have increased in value by more than $2 million. These investments are included in the bank's book value at their original cost, far below their current value. If these two items were fully reflected in the bank's book value, the figure would increase from $253.20 to $443.20, Brown said.

At that level, the $944 deal with Citizens would be worth 2.1 times the Damascus bank's book value, instead of 3.7 times. The going rate for area bank mergers has been about 2.5 times book value.

Book value per share represents a bank's net assets minus the value of preferred stock, divided by the number of common shares.

Brown, according to bank records, owns 1,519 shares, now worth $1.4 million. Like other directors and shareholders, Brown has been accumulating his stock for nearly four decades.

Bank of of Damascus, with four offices in Montgomery and Frederick counties, began operations in 1921. Founder William de Lashmutt put up $10,000, and local residents bought 1,000 shares at $25 each, according to the Damascus Courier-Gazette. Beyond that, no accounting of stock splits or stock dividends is available. Bank officials say they don't know exactly how the shares have multiplied but, as of today, the number of shares owned by 580 stockholders is 52,514.

The $250 price of the stock was established twice recently. The first time was when the bank, which has assets of $140 million, paid a 10 percent stock dividend and paid for fractional shares in cash at $250 a share. The other was when the bank sold an additional 2,500 shares of stock in the spring at $250 a share.

Brown noted that some shares recently brought $361 a share at a public auction.

Stock in Bank of Damascus has been closely held by a group that included prominent Damascus citizens and friends and relatives. The stock has traded privately and has been difficult to buy.

"It was not traded very frequently, and it would have been accumulated over a long period of time, through generations," said Brown.

Among those who have accumulated stock for many years in Helen W. Boyer, a cousin of major stockholder Herbert Hyatt. Boyer's 2,485 shares, at $944 a share, represent $2.3 million. She disclaimed voting control over another 651 shares worth $614,500 and held by a son.

Boyer's father, Archie W. Souder, was an organizer and founder of the bank in 1921, as was her father-in-law, Dr. George M. Boyer. Her husband, Dr. McKendree Boyer, joined the board in the 1940s and, after his death, Helen Boyer took his seat on the board.

There are two father-son teams on the board, Herbert Hyatt and his son Jerry H. Hyatt, an attorney and member of the Maryland House of delegates, and Bradley M. Woodfield, a retired auto dealer, and his son Henry H. Woodfield, president of Barwood Inc., a taxicab company.

At the Guaranty Bank and Trust Co., of Fairfax, original stockholders made huge profits long before Riggs National Corp. offered to buy them out for $31.50 a share. When the offer was made, the stock was selling at $28 a share, and the $31.50 Riggs price represented a 12.5 percent premium—small compared with some bank deals.

GUARANTY PAID DIVIDENDS

The real profits at Guaranty Bank and Trust, which has five offices, were made by stockholders who had been patient and collected yearly stock dividends.

Since 1964, the bank has paid 18 dividends, most at 10 percent, and had one 2-for-1 stock split. An investor who bought 100 shares of stock for $1,000 in 1964, when the bank opened for business, today would own 1,014 shares worth, at $31.50 each, $31,941, according to records.

The increase in value was more than 3,000 percent, or 17 percent a year annualized over the 22-year period.

Riggs' offer of $31.50 a share for Guaranty, with a book value of about $9.77, was 3.2 times book value, higher than the average for bank sales in the area. Guaranty has 1,700 shareholders holding 1.2 million shares of stock.

Eighteen officers and members of the board of directors hold 22.8 percent of the stock.

The three largest stockholders listed in the bank's May proxy statement were Elizabeth Fairchild of Washington, Robert C. Arledge, chairman of Arledge Real Estate Corp. of Arlington, who holds 43,744 shares worth $1.37 million, and Dr. Morton O. Alper, a Washington dentist, with 42,302 shares valued at $1.33 million.

Ernest M. Carter, the bank's president, owns 12,272 shares worth $386,568.

Alper, who helped organize the bank 22 years ago, said of the Riggs offer, "We were in a healthy position to continue. But everybody is getting older and it was a good offer."

Alper, 61, said he doubted that his $1.33 million payment from Riggs would change his life style. "We worked for it," he said. "It isn't like hitting a sweepstakes. It was an earned, planned thing. It is like putting seeds in the ground and raising a garden. It didn't just happen. It had to be weeded and fertilized."

Stockholders more than doubled their money when one of the smaller Virginia banks, Enterprise Bank of Falls Church, recently approved an offer to sell.

Enterprise, with two locations and assets of $35.4 million, is tiny compared with its purchaser, Washington Bancorporation,

which owns the National Bank of Washington. NBW has assets of $1.4 billion and 21 branches in the District.

The proposed merger gives NBW its first address in Northern Virginia, helping it compete with outside competition and improving its appeal as a possible takeover candidate, itself. NBW would acquire 362,500 shares of Enterprise Bank at $25 a share for a total cost of about $9 million.

Enterprise Bank, formed in 1972, originally sold its shares for $16 each. A 5-for-1 split in the 1970s reduced the share price to $3.20. When the NBW deal was made, Enterprise shares were selling of about $11 each.

FAST-RISING AREA BANK STOCKS

Bank	Price Jan. 4, 1985	Price July 11, 1986	Percent change
Maryland:			
Citizens Bancorp	$73.50	$119.00	+61.9
Equitable Bancorporation	11.38	30.00	+63.6
First Maryland Bancorp	15.81	37.25	+135.6
Maryland National	21.63	47.88	+121.4
Mercantile Bankshares	21.63	44.00	+103.4
Suburban Bancorp [1]	43.00	100.00	+132.6
Union Trust Bancorp [2]	25.00	61.50	+146.0
Virginia:			
Bank of Virginia	23.88	35.63	+49.2
Central Fidelity Banks	19.17	34.75	+81.3
Dominion Bankshares	25.75	50.00	+94.2
First Virginia Banks	19.50	33.75	+73.1
Sovran Financial	25.83	41.63	+61.2
United Virginia Bankshares	17.44	34.13	+95.7
District:			
American Security	17.00	36.00	+111.8
D.C. National Bancorp [3]	23.00	66.50	+189.1
NS&T Bankshares [4]	47.00	85.00	+80.9
Riggs National	16.81	38.00	+126.1

[1] Last pricing date Mar. 27, 1986.
[2] Last pricing date Dec. 31, 1985.
[3] Last pricing date Mar. 21, 1986.
[4] Last pricing date Jan. 10, 1986.

NBW, selling at $100 a share, agreed to swap one share of NBW for four shares of Enterprise. That was the equivalent of giving Enterprise stockholders $25 a share for each of their shares.

That took Enterprise stock from a value of $11 a share to $25, more than double, and a gain of 127.3 percent. The $25-a-share sale was 2.8 times the $9 book value of the bank as of Dec. 31.

A stockholder who invested in the bank when it was formed received a 681 percent increase in his investment, or a 15.8 percent annualized return over the 14-year period.

Because Enterprise Bank has fewer than 500 shareholders, it is not required to report publicly the number of shares owned by members of its board of directors.

Donald E. Ervin, president of the bank, said that 11 board members owned 35 percent of the stock and that he owned less than 3 percent.

A 3 percent ownership of the 362,500 shares, or 10,875 shares, would be worth $271,875.

35.5 PERCENT GAIN FOR INVESTORS

Investors in Ameribanc Investors Group will realize a 35.5 percent gain on their stock from the recently proposed merger with NCNB Corp.

Ameribanc Investors Group, formerly called MIW Investors, owns First American Savings and Loan Association in Virginia, which has assets of $704 million and 30 offices in Virginia. The acquirer, NCNB Corp., has assets of $23 billion and 600 banking offices in North Carolina, Florida, South Carolina and Georgia.

NCNB agreed to exchange 0.28 share of NCNB stock for each of the 6.2 million shares of Ameribanc in a deal valued at $92.5 million.

With the NCNB shares then selling at $53.25, the 0.28 of a share was equal to $14.91. At the time the deal was made, Ameribanc shares were trading at $11 a share, giving Ameribanc stockholders an immediate 35.5 percent premium.

MIW Investors began life in 1969 as Mortgage Investors of Washington. During the 1970s, high interest rates and inflation nearly crushed MIW as builders and developers went under. Foreign investors, who now own about 30 percent to 40 percent of the MIW stock, came to the rescue. MIW later acquired two thrifts and changed the course of its business.

MIW stock, which sold as low as $1.88 during the past six years, moved to the $8 range last fall. MIW shares began to appreciate as investors increasingly perceived it to be a company that would benefit from the low-interest-rate environment. The stock recently rose to $11.

Among other things, this author of this article, Stan Hindon, says, "the stockholders of the Bank of Damascus and Guarantee Bank and Trust are the beneficiaries of a second wave of merger mania."

What merger mania. I thought we had a booming economy and real, real capital activity. But of course I am saying this sarcastically because that is the way I mean it to be. I think it has simply been a crime the way the American people have been sold down the river. Sold down the river by people they have trusted and by those that have arrogated to themselves the great power that has always been at issue since the founding of this Nation as to who determines what section and sector of our economy is going to be allocated the resources of credit in order to conduct either business or a pursuit in sustaining, in purchasing a home, owning a home, raising a family, identifying with the country.

I want to point out, after all, I have been doing this since long before I became chairman of the largest subcommittee in this Congress on either side, the Subcommittee on Housing and Community Development, that we now have what? What are the products of all of this Reagan recovery. For the first time since 1914, the United States is a debtor nation as of the last 2½ years.

For the first time, we have a monstrous domestic deficit. No nation or combination of nations in the history of mankind has developed this kind of deficit.

Third, international deficit, where we are now back to the colonial times where we are a merchantile system. Where the European and Japanese producers are what? Flooding our markets. We are not a producing nation any longer as of 2½ years. That is what it means to have an internal monstrous debt and an international debit or deficit or debt such as never has been experience by any nation.

We have, currently, $150-billion adverse balance of trade. What does that mean? It means that for every $10 billion of the $150 billion, America lost 1 million jobs permanently. Permanently, because the United States is now the consumer. It is now the cow that is milked.

The old merchantile system is back. Incredible. This was what the American Revolution was all about. The colonists got tired of being subjected to the mother country's reverse economic situation or the merchantile system. No matter how able the industrialists or manufacturers of that day were in Philadelphia, they could not manufacture out of our own raw materials. Raw material had to go to England where the looms would weave the products to be sold back to the colonies. That is where we are today. Incredible. Who says we won World War II? Who invaded whom in the light of today's world?

How did it come about? Well, I for one, would consider it a blot on my honor if I were to go on and my children and grandchildren would say, "You know, he was there, and he never once said anything." That is why I am on record and have been.

Also, an attempt, in vain, I am sure, to try to reach a level of consciousness of enough of my colleagues to bring about some realization of the task that confronts us because there is no question in my mind that it is too late. But it is never too late to anticipate what methods and means one can devise and suggest in order, in anticipation for the day when there will be hysteria, that we can cooly and dispassionately forge the policies that unfortunately, should have been forged 20 or 23 years ago.

The President, nevertheless, was reported in yesterday's newspaper with a Saturday dateline, I guess that was because of his radio talk; I do not know. He was saying the very opposite. He said, "We have never had it so good." He has been saying this every time and it reminds me of what history shows us, the same situation, before 1929's Black Friday, in October of 1929, and I am old enough when I can remember it. I am also a Depression kid so I remember that.

What happened was that 6 months before that Black Friday the President had appointed a very select Presidential Commission, like some of those Mr. Reagan appoints now. Big shots, the equivalent of that day of J. Peter Grace today. They came out and reported this, to President Herbert Hoover, and I quote. Remember, this was just 6 months before the bottom fell out:

> We have a boundless field before us. It seems only to have touched the fringe of our potentialities. Our situation is fortunate. Our momentum is remarkable.

It was with all of these thoughts in mind that I first attempted to bring to the attention of the then chairman of

the Banking Committee the need to summon forth the powers that be. The Secretary of the Treasury then. Fortunately, President Johnson reacted quicker. What he did was that he picked up the phone, as he used to do, and he called the leading bankers from the First, City National, from Chase Manhattan, from Chemical Trust and all the other coterie of oligarchs, and powerful, powerful interests. These are the most powerful interests on Earth.

He brought them to the White House and the stories were that he kept them, there until about midnight and twisted their arms and said, "Now, look boys, I think you better recall that 1-percent increase. Now, you boys really do not mean it; you are talking about increasing it again."

Well, whatever happened they did. They acceded to the President, which, clearly should have proved then that the only thing that would control those factors and those judgments that would bring about sudden, overnight, precipitous and vast increases in interest rates were just the fact that these powerful individuals had a President's eye on them. That was the only thing. So that, of course, the rest is history. Why? Why would we be? Why would we have these reports and then probably there will be a little reversal and all of a sudden everybody is saying, "We are having good times again."

This is a history, preceding 1929. The stock market would fluctuate up highly. I remember as a kid, reading at the drug store where I worked the stories, "bears; bullish; bearish."

□ 1405

They used to have it on the front pages of the San Antonia papers, and people used to be puzzled by that. What do they mean, the market is bearish or the market is bullish? They used to have these sharp gyrations, and finally the bottom fell out. The reason is, as this article in today's Washington Post business section says, that these are money manias.

The United States has been flagellated ever since we had the instability in interest rates. That is the peccable word the bankers use. We have had correspondingly, from my calculations, four, maybe five money manias, and, of course, money manias have been through history calamitous, whether it was the South Sea bubble or the tulip mania in Holland. We have done the same thing here, except worse, because it has been at a greater accelerated pace. In the meanwhile we have these vast resources of credit in which there are billions and billions and billions of dollars of banking credit.

Now, what is banking credit? Well, there are certain requirements, according to what I read in the statutes, in order to be a banker, which incidentally, is the most privileged occupation in our country. It is the most privileged because they make money. They manufacture money today. We hear all this idea that the Constitution says that the Congress shall be responsible for the coinage and all that, but that is a lot of bull feathers. The bankers, through our fractional system and all, are the ones who are coining money today. They have that complete power, but never in our history did they have it until just in the last 5½, 6 years, that complete, total power.

But the Congress does not want to do anything. Why, it bows and scrapes and genuflects before that great God-sent institution know as the Federal Reserve Board.

I introduced bills of impeachment, and I had specifications on Mr. Volcker a few years ago. I knew I was not going to get a hearing. I wrote the chairman of the Judiciary Committee and I asked him for a hearing. That is all I wanted. I wanted to present the case. Everybody kind of laughed and thought I was being bombastic. I was in dead earnest. I had good reasons.

Had these actions taken place a hundred years ago or 150 years ago under Jackson's regime, why, they would have more than had him impeached; they would have hung and quartered him.

Well, what has been done about it? What we have now is this complete oligarchic, interlocking power, this wealth controlling the finances and, as they say, the fiscal and monetary policies of our country. That means the allocation of credit.

Whenever we have had a diversion and a damming up of those resources, our history shows that we have had these calamitous economic downswings. We had the Depression of 1837, the Depression of 1867, and we had the Depressions of 1892 and 1908. It was the Depression of 1908 that brought about the Federal Reserve Act of 1913. But always, whatever the Congress tried to do and whatever it clearly intended and said during debate and in the law, through the passage of years there has been a subverting, sometimes by the U.S. Congress. Sometimes it has been in sleeper clauses, and I do not think many of the Members knew that was in them, even those Members submitting the bill. They probably got them from the lobbyists of either the banking community or the Federal Reserve Board. Nevertheless that is the fact, and that is where we are.

It is too late to do anything, there is no question about it, because everybody wants and proclaims the Federal Reserve Board to be independent, but it is so independent that it has run away. It does not account to anybody. It does not have an inspector general.

In the specifications that I had in my bill of indictment, I covered that horrible scandal of the Open Market Committee. What is this great Open Market Committee? Well, these are the private bankers plus the Federal Reserve Board members—5 plus the 7. That is the Open Market Committee. They are the ones who set the rates. Of what? Treasury bills.

Well, wait a while. What does that mean? It means they will tell us what the interest rate should be. It is not an act of God as Volcker and the others would like to tell us and as so many of my colleagues seem to think. It is a man-made decision, and it is susceptible to a man-made solution.

What I am saying is that it is most unfortunate that we have had to reach this point and pay this price, because we have reached the point where bankruptcies, for instance, have peaked out to a rate that is way above the Depression rate. Granted that we have to make some extrapolations for the fact that the Nation is bigger and there is an exponential greater number of businesses and all that, nevertheless we ought to be concerned about the parallel comparisons, though I think that it is a little too late.

I have advocated and have been advocating for the past 6 years, the past three Congresses, the enactment of certain legislation. I have never believed that from a single mind we are going to strike a perfect bill, but that is why we have deliberations; that is why we have committees. But what I have been disappointed in is that no committee or no subcommittee wants to take the time to even discuss the issue. That, I think, is a reflection on our processes. This is as it always has been and as is the case now. Even in England they had an old saying that "A poor man's shilling is only a penny," meaning that everything that the poor buys is more costly than it is to the rich. Well, naturally. This is the flaw in such a system of taxation as has developed in our country where we have the sales tax.

Well, what does history show us about that? I debated that in the Texas Legislature when I was in the Texas State Senate, and I got credit for filibustering the first attempt of the Governor in the spring session in 1961 to foist a sales tax on the people. I was blamed or credited with compelling the Governor to go into a couple of special sessions. I did gain some concessions in that they made it originally a 2-cent tax

But I pointed out the history of Spain, in which the old Spanish kings needed funds for the same reason our Presidents do today, and that is to engage in foreign adventures. Our President has poured funds into the smallest country of Central America, El Salvador, for 5½ years. He has poured $4 billion into that country

while he tells us he does not have even $60 million for the poor homeless of our country. And he cannot afford $100 million to have an emergency Home Foreclosure Relief Act when our homeowners are getting foreclosed at an astronomical rate, even today as I am speaking.

But he does have $4 billion. For what? He is no closer to a solution in that smallest country of Central America than he ever was, after bloodletting like we have never seen before. Over 50,000 Salvadorans have been killed there with our guns. They were not Cuban or Russian; they were our guns. We got in the middle of a civil war in which we are taking up for the oppressors.

This is our President. This is what I call his preverted sense of priorities. Yes, he has reached the point where he is almost omnipotent, but only because the Congress lets him be. The Congress has it in its power, and this great deliberative body could say, "Hey, Mr. President, we haven't declared war. The Constitution says only we can declare war, so you stop making war." So then it would stop unless Mr. Reagan wants to convert to a Latin American type. He could suspend Congress and surround Congress with some tanks and there is not a thing we could do. A lot of Americans laugh when I say that, but we had better not because it can happen here.

If the President can save himself from impeachment by the American Congress, he has not from the Lord Almighty. He has been impeached already, and woe behold us if we in God's vengeance are punished for sitting by and seconding and giving our imprimatur to these actions that are so horrible to describe. And they are not now in Southeast Asia; they are right here next to us.

□ 1415

What are we building up in Mexico? Why? Because these self-same banking interests that now have this tremendous power, who have supported Mr. Reagan from the beginning, financed him, helped him, surrounded him with advisers. I must remind you that President Reagan really never has lied to us. He never pretended to be an expert. All he said was that he would act the role. All he has been is an actor. He said, "I'll act a good piece," and he has; but I have always been scared of the scriptwriters, because he is not smart enough when there is a conflict among the scriptwriters to pick the right script.

So we are living in a dangerous era to our liberties. The Executive orders the President has signed in just 2 years time are a direct stab at our basic liberties.

Not one word have I heard of protest anywhere when the President signed the National Security Advisory. When? Two years ago.

What does that say? It says that he can have through the Federal Emergency Management Agency the use of the National Guard or troops to arrest people who might be harboring what they call refugees from Central America, but which Mr. Reagan may say are potential terrorists. They can get rounded up right now by the armed services.

Second, when he announced the embargo against Nicaragua on May 1, 1985, he first had to find as a matter of law, because this was a power delegated to Presidents since the Espionage Act of 1917, he had to say that Nicaragua is a direct and an immediate threat, to the point where we have to impose an economic embargo.

Now, how many Americans really realize that? But yet that is what he had to announce.

But that was not published in the newspapers too much. All they said was that he had imposed an embargo, but what they did not mention was what it would take to trigger that power.

We still do not have an only potentate President. We still have a Constitution; but I charge that the Congress has rolled over and has advocated a sacrosanct sovereignty.

For what purpose? I do not know.

For what reason? I do not know. I am not smart enough to know. All I know is that it has happened. All I know is that it is happening. All I know is that we have been sold out at all levels.

We cannot possibly, at least I cannot, tell the American people that these great issues that they think their Representatives are resolving here are indeed and in fact being resolved. They are not.

J. Peter Grace, the billionaire owner of the conglomerate that owns what we used to call United Fruit, now known as Standard Brands, is the one who is actually forging the Latin American policy for Mr. Reagan. Of course, he would have our marines die for Chiquita Banana, of course. They have before in Guatemala in 1954 when the CIA, like they are doing now in Honduras, hired American mercenary pilots to strafe Guatemala City, to kick out Colonel Arbenz. He was accused of being a Communist.

He was a mililtary, one of the most fierce anti-Communists, but he went out. The CIA gloated. We have the beginning of having to pay for that ersatz victory.

If you only realized the ferment, the boiling kettle with the lid not going to stay on there long, and now translated over to our most immediate adjacent neighbor, the Republic of Mexico, where there again the bankers in their greed overpledged their loans.

Mexico, Peru, Ecuador, Argentina and even Brazil, which is a giant industrialized nation, Brazil is not the little old piker. They will not pay those debts backs. They can barely even roll over the interest payments.

There is a whole situation boiling up. What are we going to do? If we try to use the same tactics that the President seems to think is an answer, that is, military, well, we had better start thinking about invading Mexico, because it is coming. It is coming, just as sure as I am standing here and nobody seems to give a hoot or gehenna. Nobody seems to be either mindful or even aware of what is boiling and churning and terribly, terribly explosive, with tremendous implications; other than the fear of, oh, those hordes of Mexican illegals that are coming in. That is the big fear.

But nobody says why, why should they? Why should the most humble, the most soil-attached people on the Earth want to leave? Who are the ones who are leaving? The young, the strong that are willing to come and risk death in Texas.

In some areas they shoot them like rabbits. They have posses up in Kerr County up north where recently the San Antonio papers had big headlines about a slave camp. Well, that involved a white nonethnic, so naturally there was a big fuss; but I can tell you just within the last 8 years of two cases where a group was formed, went out an gunned down like a rabbit a so-called alien, but who was a worker. Nobody knew what he had done. They were just whooping and hollering as they have in the past, and which has gone unrecorded in the main.

The Mexican Government 40 or 50 years ago used to protest. You would have the Counsel General in San Antonio issue a communique saying, "We protest the ill-treatment of these citizens," but not now, because we have so much pressure on that government.

Our CIA has even foolishly tried to do in Mexico what they have been doing south of Mexico, that is, pressuring through destabilizing; that is, putting money into some opposition groups for two reasons: One, that the Mexican Government and the President will not go along with the United States on its Central American policy. It cannot.

Mexico is the original nation that advanced the auto determinacion, self-determination, no intervencion, no intervention, and they are not going to betray that.

The President of Mexico is about the wrongest individual they could pick to do that to. The President of Mexico is very much pro-American. He is educated in the United States, but he is caught and if the CIA thinks it can pressure it through the rightwing groups in Mexico, all they are doing is

throwing him to the left-wing wolves, that is all, and this is what we have been doing all up and down the isthmus and up and down the pennisulas and down into the South American Continent, which is very, very wrong, self-defeating, very stupid, to say the least; but nobody wants to question the almighty CIA.

In fact, if anybody questions it, he is suddenly suspect as a true-blue American.

I think the American people, though, are just absolutely uninformed or malinformed. Everybody else outside of the United States knows it, but not the American people. I think that is a tragedy.

So that what we have come to in reading these stories today is just the inevitable that some of us have been talking about for a few years. We have not been satisfied with saying, "Hey, look, this is happening. This will result."

In 1979 I got up and made a speech here. There was no TV. The very next day the chairman of the Federal Reserve Board called me and asked me to go and have breakfast with him to tell me that I was right.

What was I saying? I said in 1979 in the RECORD, I said, "At this point, we are in trouble."

I noted the statistics. Our chief private banks have gone from about $1 billion to over $45 billion in investments. True, a lot of this was what they called recycled Arab oil money. But what was that? That was in deposits and it was on call.

Right now the so-called Reagan recovery, what he calls a recovery, which I say never was, has been supported to the extent it has by foreign investors who are fickle, and as in the case of the Continental Illinois Bank that went under and that we nationalized, costing the taxpayers about $6 billion. Now, the newspapers did not say we nationalized it, but if it happened in Mexico, we would have said that the government had nationalized it.

There was $6 billion of your taxpayers' money. Why? Because, all the time what I have said was what a former Congressman from New York, Myer London, said around the time of World War I when they had this very interesting Congressman from New York. He used to say, "I am accused of being a socialist. But you fellows are socialists for the rich. I believe in socialism for the poor as well as the rich."

What I am saying is what happens is that capital always wants and also has to private-enterprise its profits, but to socialize or have the taxpayers pick up its losses. This is what is happening in this country.

I was trying to tell the chairman then that there were some things he could do.

He said, "No, I can't. I just went to the National Conventional of Bankers in Honolulu and when I told them the same thing you are saying and warned them, they almost threw me out."

I said, "Well, wait awhile, Mr. Chairman. You have section 14(b) of the Federal Reserve Board Act. You can exercise that."

What does President Reagan say? They will cry, "Uncle."

He said, "Oh, no, no. I can't do that."

Why? Why would not this work? I will tell you why, because all of them, that one and Mr. Volcker today, they come from the payroll of the Chase Manhattan and they are going back to the payroll of the Chase Manhattan. They are not about to do anything to antagonize the Chase Manhattan while they are working for the Federal Reserve Board.

Furthermore, the American people, and I think most of my colleagues, do not realize that the Federal Reserve Board is not a Federal agency. It is a private concern. In actual practice, it is operated and managed by about seven of the biggest banks in the country. They are the ones who are running the Federal Reserve Board, but it is supposed to be the operation of the 14,000-plus commercial banks we have in this country, not the Government.

It is ridiculous. It has reached the point where the American people have lost their heritage, not even for a mess of potage.

I say that with the arrogance we are showing in the countries that are too weak to do anything about it, I am reminded of William Shakespeare.

He said:

When we become arrogant and in our viciousness grow hard, the wise gods seal our eyes; we drop our clear judgment, make us adore our errors, laugh at us while we strut to our own confusion.

□ 1430

RULE FOR CONSIDERATION OF THE DEFENSE AUTHORIZATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. ASPIN] is recognized for 5 minutes

Mr. ASPIN. Mr. Speaker, last Friday the Committee on Armed Services favorably reported H.R. 4428, the National Defense Authorization Act, to authorize appropriations for fiscal year 1987 for the Department of Defense, for military construction, and for defense activities of the Department of Energy.

I hereby notify all Members that the Committee on Armed Services intends to seek a rule for consideration of H.R. 4428 that may not allow any and all amendments germane to the bill to be offered.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BATEMAN) to revise and extend their remarks and include extraneous material:)

Mr. FIELDS, for 60 minutes, on August 6.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ASPIN, for 5 minutes, today.

Mr. STOKES, for 60 minutes, on July 29.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BATEMAN) and to include extraneous matter:)

Mr. GRADISON in two instances.
Mr. LUNGREN.
Mr. SILJANDER.
Mr. BROOMFIELD.
Mr. GEKAS.
Mr. LEWIS of Florida
Mr. COURTER.
Mr. GILMAN.
Mr. CONTE.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. MILLER of California.
Mr. MITCHELL.
Mr. RODINO.
Mr. BARNES.
Mr. BOLAND.
Mr. UDALL.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 524. An act to recognize the organization known as the "Retired Enlisted Association, Incorporated," to the Committee on the Judiciary.

S. 2307. An act to provide authorization of appropriations for activities of the United States Travel and Tourism Administation;

to the Committee on Energy and Commerce.

S.J. Res. 355. Joint resolution to designate August 1986 as "Cajun Music Month"; to the Committee Post Office and Civil Service.

S.J. Res. 371. Joint resolution to designate August 1, 1986, as "Helsinki Human Rights Day"; to the Committees on Post Office and Civil Service and Foreign Affairs.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolution of the House of the following tities, which were thereupon signed by the Speaker:

H.R. 1406. An act to authorize appropriations for nongame fish and wildlife conservation during fiscal years 1986, 1987, and 1988;

H.R. 2991. An act for the relief of Betsy L. Randall; and

H.J. Res. 623. Joint resolution to authorize the designation of a calendar week in 1986 and 1987 as National Infection Control Week.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following days, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On July 23, 1986:

H.R. 4985. An act to authorize the distribution within the United States of the USIA film entitled "The March";

H.R. 4409. An act to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes; and

H.J. Res. 672. An act to ratify the February 1, 1986, sequestration order of the President for fiscal year 1986 issued under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

On July 25, 1986:

H.R. 3511. An act to amend title 18, United States Code, with respect to certain bribery and related offenses.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 30 minutes p.m.), the House adjourned until tomorrow, Tuesday, July 29, 1986, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3949. A letter from the Secretary of the Interior, transmitting certification that the Tehama-Colusa, Sacramento River division, Central Valley project, California, has had an adequate soil survey, land classification has been made and that the lands to be irrigated are susceptible to agricultural production by irrigation, pursuant to 43 U.S.C. 390a; to the Committee on Appropriations.

3950. A letter from the Deputy Assistant Secretary of the Air Force (Logistics and Communications); transmitting notification that the Air Force plans to study the T-38 tactical training aircraft maintenance, Holloman Air Force Base, NM, for conversion to private contractor performance, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

3951. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by Eximbank during May and June 1986 to Communist countries, pursuant to 12 U.S.C. 635(b)(2); to the Committee on Banking, Finance and Urban Affairs.

3952. A letter from the Executive Director, Neighborhood Reinvestment Corporation, transmitting the annual report of the Corporation for 1985, pursuant to Public Law 95-557, section 607(a); to the Committee on Banking, Finance and Urban Affairs.

3953. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notice of the intent of issue a commercial export license for the sale of two F-5E aircraft to the Government of Singapore, pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

3954. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notice of the intent to issue a commercial export license for the sale of five AN/FPS-117(K) radars and support equipment to the Republic of Korea, pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

3955. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions by James E. Nolan, Jr., of Maryland, Director of the Office of Foreign Missions, Ambassador-designate, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3956. A letter from the Comptroller General, General Accounting Office, transmitting a list of all reports issued by GAO during the month of June 1986, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

3957. A letter from the Assistant Comptroller-Insurance, Departments of the Army and Air Force, transmitting the retirement annuity plan for employees of the Army and Air Force Exchange Service and supplement deferred compensation plan for members of the Executive Management Program for calendar year 1985, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3958. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3959. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3960. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3961. A letter from the Secretary of the Interior, transmitting a copy of the proposed settlement agreement regarding Westlands Water District versus United States, pursuant to Public Law 99-190, section 122 (99 Stat. 1320); to the Committee on Interior and Insular Affairs.

3962. A letter from the Secretary, Aviation Hall of Fame, Inc., transmitting the report and financial audit for the calendar year 1985, pursuant to Public Law 88-372, section 15(b); to the Committee on the Judiciary.

3963. A letter from the Assistant Secretary (Legislative Affairs), Department of the Treasury, transmitting a report on the allocation among foreign nations of the total allowable level of foreign fishing permitted under the Fishery Conservation and Management Act of 1976, for 1985, pursuant to 16 U.S.C. 1821(f); to the Committee on Merchant Marine and Fisheries.

3964. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a report from the Chief of Engineers, Department of the Army on Raritan River basin, New Jersey, together with other pertinent reports; to the Committee on Public Works and Transportation.

3965. A letter from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting notification of the decision to convert to private contractor performance the commissary shelf stocking function at Hickam Air Force Base, HI, which is the most cost-effective method of accomplishment, pursuant to Public Law 99-190, section 8089 (99 Stat. 1216); jointly to the Committees on Armed Services and Appropriations.

3966. A letter from the Secretary of Energy, transmitting the final rule under which the United States offers toll enrichment services to electric utility customers situated in this country and abroad, pursuant to 22 U.S.C. 2201(v); jointly to the Committees on Interior and Insular Affairs and Energy and Commerce.

3967. A letter from the Secretary of Health and Human Services, transmitting annual reports on Medicare, the Medigap Voluntary Certification Program, and the End Stage Renal Disease Program, for 1983, pursuant to SSA, section 1875(b), 1881(g) and 1882(f)(2); jointly to the Committees on Ways and Means and Energy and Commerce.

3968. A letter from the Secretary of Agriculture, transmitting the annual report on agricultural trade consultations with major producing countries, pursuant to 7 U.S.C. 1736r(c); jointly to the Committees on Agriculture, Foreign Affairs, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows;

[Pursuant to the order of the House on July 24, 1986, the following reports were filed on July 25, 1986]

Mr. ASPIN: Committee on Armed Services. H.R. 4428. A bill to authorize appropriations for fiscal year 1987 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; with amendments (Rep. 99-718). Referred to the Committee of the Whole House on the State of the Union.

Ms. OAKAR: Committee on Post Office and Civil Service. H.R. 4354. A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1987, and for other purposes; with an amendment (Rep. 99-617, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

[Submitted July 28, 1986]

Ms. OAKAR: Committee on Post Office and Civil Service. H.R. 4759. A bill to authorize appropriations for fiscal year 1987 for intelligence and intelligence-related activities of the U.S. Government, the intelligence community staff, and the Central Intelligence Agency retirement and disability system, and for other purposes; with amendments (Rep. 99-690, Pt. II). Ordered to be printed.

Mr. ASPIN: Committee on Armed Services. H.R. 4759. A bill to authorize appropriations for fiscal year 1987 for intelligence and intelligence-related activities of the U.S. Government, the intelligence community staff, and the Central Intelligence Agency retirement and disability system, and for other purposes; without amendment (Rept. 99-690, Pt. III). Ordered to be printed.

Mr. FUQUA: Committee on Science and Technology. H.R. 4926. A bill to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1987; with amendments (Rept. 99-719, Pt. I). Ordered to be printed.

Mr. FUQUA: Committee on Science and Technology. H.R. 4925. A bill to authorize appropriations to the Department of Energy for civilian research and development programs for fiscal year 1987; with amendments (Rept. 99-720). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BREAUX (for himself, and Mrs. BOGGS):

H.R. 5262. A bill to establish the Bayou Sauvage Urban National Wildlife Refuge in the State of Louisiana; to the Committee on Merchant Marine and Fisheries.

By Mr. LOWERY of California:

H.R. 5263. A bill to provide reimbursement to localities for costs of emergency hospital services furnished to illegal aliens and certain Cuban nationals; to the Committee on the Judiciary.

By Mr. McMILLAN:

H.R. 5264. A bill to amend title XVIII of the Social Security Act to permit certain individuals with physical or mental impairments to continue medicare coverage at their own expense; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. VANDER JAGT:

H.J. Res. 687. Joint resolution proposing an amendment to the Constitution of the United States repealing the 22d article of amendment thereto; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

432. By the SPEAKER: Memorial of the Legislature of the State of California, relative to rental assistance; to the Committee on Banking, Finance and Urban Affairs.

433. Also, Memorial of the Legislature of the State of California, relative to the federal census; to the Committee on Post Office and Civil Service.

434. Also, Memorial of the Legislature of the State of Louisiana, relative to sanctions against the Republic of South Africa; and the status of the Mississippi River and tributaries project; to the Committee on Public Works and Transportation.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 585: Mr. DURBIN.

H.R. 1840: Mr. DANIEL and Mr. CHAPPELL.

H.R. 3643: Mr. CRANE.

H.R. 4057: Mr. DASCHLE, Mr. HOPKINS, and Mr. TAUKE.

H.R. 4155: Mr. KILDEE, Mr. SUNIA, Ms. MIKULSKI, Mr. LEHMAN of Florida, Mr. RODINO, Mr. DWYER of New Jersey, Mr. DIOGUARDI, Mr. FASCELL, Mr. COUGHLIN, and Mr. BILIRAKIS.

H.R. 4287: Mr. NEAL, Ms. SNOWE, Mr. BARNES, Mrs. BOXER, Mr. TORRICELLI, Mr. FLORIO, and Mr. STUDDS.

H.R. 4300: Mr. UDALL, Mr. FORD of Tennessee, Mr. COYNE, Mr. MAVROULES, Mr. ROYBAL, and Mr. STUDDS.

H.R. 4344: Mr. PERKINS and Mr. SOLOMON.

H.R. 4488: Mr. ATKINS, Mr. HORTON, Mr. LEHMAN of Florida, Mr. MILLER of Washington, Mr. GIBBONS, Mr. GOODLING, Mr. BOEHLERT, Mr. BIAGGI, Mr. TORRICELLI, Mr. BONKER, and Mr. AKAKA.

H.R. 4633: Mr. BILIRAKIS, Mr. TRAXLER, Mr. BENNETT, Mr. SPENCE, Mr. CARR, Mr. MURTHA, Mr. RICHARDSON, Mrs. SCHNEIDER, Mr. CROCKETT, Mrs. JOHNSON, and Mr. BATEMAN.

H.R. 4690: Mr. BONIOR of Michigan.

H.R. 4796: Mr. NIELSON of Utah.

H.R. 4899: Mr. FRANK.

H.R. 5157: Mr. FEIGHAN.

H.J. Res. 10: Mr. EMERSON, Mr. MANTON, Mr. RUSSO, Mr. SMITH of New Hampshire, Mr. STAGGERS, Mr. TRAXLER, and Mr. YOUNG of Florida.

H.J. Res. 49: Mr. MOORHEAD.

H.J. Res. 379: Mr. OBERSTAR, Mr. QUILLEN, Mr. BLILEY, Mr. NELSON of Florida, Mr. STALLINGS, and Mr. RALPH M. HALL.

H.J. Res. 594: Mr. BURTON of Indiana.

H.J. Res. 663: Mr. MARLENEE.

H.J. Res. 667: Mr. BATES, Mr. FISH, Mr. AKAKA, Mr. MATSUI, Ms. KAPTUR, Mr. BUSTAMANTE, Mr. DARDEN, Mr. RANGEL, Mr. KINDNESS, Mr. MONSON, Mr. SMITH of Florida, Mr. REID, Mr. BONIOR of Michigan, Mr. HUGHES, and Mr. SMITH of New Jersey.

H.J. Res. 670: Mrs. BOXER, Mr. DE LA GARZA, Mr. GRAY of Pennsylvania, Mr. VALENTINE, Mr. SMITH of Florida, Mr. SAVAGE, Mr. DYSON, Mr. MANTON, Mr. NIELSON of Utah, Mr. CROCKETT, Mr. BARNES, Mr. WOLF, Mr. CLAY, Mr. WAXMAN, Mr. FEIGHAN, Mr. ROE, Mr. YOUNG of Missouri, and Mr. SAXTON.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

432. By the SPEAKER: Petition of the National Society of the Sons of the American Revolution, Louisville, KY, relative to the strategic defense initiative; to the Committee on Armed Services.

433. Also, petition of the National Society of the Sons of the American Revolution, Louisville, KY, relative to medical nuclear preparedness; to the Committee on Energy and Commerce.

434. Also, petition of the National Society of the Sons of the American Revolution, Louisville, KY, relative to repeal of the war powers resolution; to the Committee on Foreign Affairs.

435. Also, petition of the National Society of the Sons of the American Revolution, Louisville, KY, relative to birth certificates; to the Committee on Government Operations.

436. Also, petition of the National Society of the Sons of the American Revolution, Louisville, KY, relative to the designation of the graves of Revolutionary War veterans as national historical sites; to the Committee on Interior and Insular Affairs.

437. Also, petition of the Township Committee, Township of Little Egg Harbor, NJ, relative to the licensing of recreational salt water sports fishermen; to the Committee on Merchant Marine and Fisheries.

438. Also, petition of the National Society of the Sons of the American Revolution, Louisville, KY, relative to the "Star Spangled Banner"; to the Committee on Post Office and Civil Service.

439. Also, petition of the Independent Taxi Operators Association, Boston, MA, relative to the Federal-aid Highway Program; to the Committee on Public Works and Transportation.

440. Also, petition of the American Association for the Advancement of Science, Washington, DC, relative to the Gramm-Rudman-Hollings deficit targets; to the Committee on Science and Technology.

441. Also, petition of the Common Council, City of La Crosse, WI, relative to certain provisions of the tax reform bill, H.R. 3838; to the Committee on Ways and Means.

SENATE—*Monday, July 28, 1986*

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

** * * let us love one another: for love is of God; and everyone that loveth is born of God and knoweth God. He that loveth not knoweth not God; for God is love.*—I John 4:7-8.

Father God, whose love is unconditional, universal, infinite, and eternal we thank You for loving us. Thank You for love which is unequivocal, certain, and dependable. Help us to comprehend the profound reality that there is nothing we can do to make You love us more than You do—and there is nothing we can do to make You love us less than You do. Thank You for the perfect peace, perfect acceptance, perfect security we enjoy in Your love. Forgive us, patient Father, for our indifference to Your love—our rejection—our failure to reciprocate. Help us to love You and one another and, in so doing, fulfill the royal law—for the honor of Your name. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able and distinguished majority leader, Senator ROBERT DOLE, is recognized.

Mr. DOLE. I thank the distinguished Presiding Officer, Senator THURMOND, the President pro tempore.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each. Then we will have special orders for Senators PRESSLER, PROXMIRE, and LEVIN for not to exceed 5 minutes each.

Then there will be routine morning business, not to extend beyond 1 o'clock.

After that, we will resume consideration of House Joint Resolution 668, the debt limit extension.

We also may be asked to turn to the consideration of TV in the Senate, pursuant to the provisions of Senate Resolution 28, in order to use up some of the 12 hours of debate allotted to the resolution, if it is going to take 12 hours. In visiting with Senators MATHIAS and FORD, I think their recommendation is that the Rules Committee will not take much time. So, obviously, we can use the time or yield it back. I hope we will not take 12 hours.

This is Monday, July 28, and it is still our intention to meet the August 15 recess deadline, as previously announced. I do not know how to state it—I do not want to appear to be threatening—but we do have a lot of work to do, to say it as honestly as I can. There is a lot of work to do, and many Members have amendments to the debt ceiling bill. We hear that there may be an amendment with respect to South Africa; there will be Contra aid; maybe a SALT resolution of some kind. All those matters would take a considerable length of time.

There is also some hope that we can work out an agreement, as I said before—sort of a tripartite agreement—involving SALT, South Africa, and Contra aid, whereby we could have a certain amount of time set aside for each of those issues. If we can do that prior to the recess, that will be fine with me.

In addition, we have the Gramm-Rudman "fix." I understand that some agreement may have been reached between Senator DOMENICI with Senators RUDMAN, GRAMM, and HOLLINGS on their amendment to the debt ceiling. If that is the case, maybe we can move more rapidly on that.

So there are a number of very critical matters we need to resolve before August 15.

Having said that, I know the phone will be ringing—"What about Friday?" I can only tell my colleagues on both sides that I expect that we will be here on Friday. We might be here on Saturday, because we have this weekend and next weekend, and we will be out the following Friday until September 8, if everything goes as planned. So I just cannot tell anyone at this time. But I want to at least hold out, not a threat, but the possibility, in the real world, that unless something starts to happen fairly soon, we could be here late several nights this week and could be here part of the weekend.

I also indicate that we have made good progress on the Executive Calendar. I think we can probably clear up all but a couple of those nominees this week.

There are two treaties dealing with Denmark. I understand that the distinguished Senator from Ohio [Mr. METZENBAUM] may have a problem with those. He was trying to reach me on Friday, and we missed each other.

We will do the best we can to accommodate Members. I know that some Members will be necessarily absent tomorrow for some time, and we can work that out with the minority leader.

Mr. BYRD. Mr. President, if the distinguished majority leader will yield, with respect to the schedule, the problem immediately, as I see it, is in the fact that we have before the Senate the debt limit extension; but we have as an amendment to that debt limit extension, or a series of amendments thereto, the proposed changes in the Gramm-Rudman legislation. Nobody can call up any other amendment to the debt limit extension unless consent can be gotten that the Gramm-Rudman amendments be set aside temporarily.

So there we are—we are stuck. Those who are the principals in working out some changes in the Gramm-Rudman legislation do not want those amendments set aside for the time being.

It seems to me that unless those amendments can be set aside temporarily, the Senate is not going to be able to consider any other amendments to the debt limit legislation until final action on those amendments is gotten. This would appear to me to preclude any other action prior to, say, Wednesday of this week at best, because tomorrow will be utilized in the debate on TV coverage of Senate debates and deliberations.

I certainly would support the distinguished majority leader in pressing for action on Fridays and Mondays now. We are within only 3 weeks of the Labor Day recess as previously scheduled, and so Mondays and Fridays cannot be excluded if the Senate is to deal with the major amendments and issues that need to be called up.

I hope that the distinguished majority leader will call up the DOD authorization bill. Senator NUNN, who is the ranking minority member on the Armed Services Committee, is ready to proceed to debate that measure and actually is urging that the measure be called up.

I believe that if we cannot get action soon on the Gramm-Rudman legislation, at least the Senate could begin its debate on the DOD authorization if the distinguished majority leader would see fit to bring up that legislation because it does need to be dealt with. It needs to be dealt with prior to the action on the military construction appropriation bill, and it seems to me that if the Senate is going to be stymied on the Gramm-Rudman amendment to limit legislation, at least we could be spending our time well in debating the DOD authorization bill, and I would hope that the distinguished majority leader would

give some consideration to scheduling that bill soon.

Barring that, I would hope that the distinguished majority leader would see if something could be done to set aside the Gramm-Rudman roadblock so that Senators can call up other amendments to the debt limit legislation.

I thank the distinguished majority leader for considering these suggestions.

Mr. DOLE. I thank the distinguished minority leader and I think so far there has not been much holding up. I do not disagree with what the minority leader has just indicated.

If they cannot resolve this Gramm-Rudman matter, then I am going to make an effort to set it aside and go on to something else.

As I understand, we announced there would be no votes today. Either today or tomorrow we will discuss TV in the Senate. So they are really not holding up anything right now.

I understand that Senators CHILES and DOMENICI will be talking, and they may be able to reach some agreement.

So we are making a little progress, perhaps we did lose about a day, we do not want to lose any more. I hope we might speed them up.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

(Mr. GRASSLEY assumed the chair.)

RELEASE OF THE REVEREND LAWRENCE MARTIN JENCO

Mr. DOLE. Mr. President, today is a day of thanksgiving for the family and friends of Rev. Lawrence Martin Jenco, who was released this weekend after 19 months of captivity in Lebanon.

We join the Jenco family in their joy and relief over the safe return of Father Jenco. From current reports, it appears the reverend is in fairly good shape—enjoying his reunion with loved ones in Weisbaden, West Germany.

But at the same time we rejoice in Father Jenco's release, we must remember the plight of the four remaining American hostages taken by the Moslem extremist group, the Islamic Jihad; William Buckley, Terry A. Anderson; David P. Jacobsen; and Thomas M. Sutherland. In addition to these Americans, the Islamic Jihad is holding six Frenchmen, two Britons, an Irishman, and an Italian hostage.

According to this morning's press reports, Father Jenco was kept in chains, in solitary confinement for 6 months. This inhumane treatment of innocent individuals, caught up in an external situation which they had no role in, is reprehensible. They should all be released immediately. There is no excuse, no rationale for their continued detention. And we can only hope that the freeing of Father Jenco is the signal for the imminent return of all the hostages now being held in Lebanon.

Mr. President, I also want to join President Reagan in acknowledging the help of the Syrian Government in the safe transport of Father Jenco to American authorities in Damascus. And I urge that the Syrian Government use all its good offices to help with the release of the remaining hostages.

THE RETURN OF COMRADE ORTEGA

ORTEGA IN NEW YORK

Mr. DOLE. Mr. President, once again the head of the Sandinista regime in Nicaragua, Daniel Ortega, is visiting our shores, to use the platform of the United Nations to attack our country, and our policy in Central America. And, as usual, he is here to make certain he gets plenty of air time to make the Sandinista case to the U.S. public.

Unfortunately for Mr. Ortega, the reality in Nicaragua speaks much louder, and more eloquently, than he does. And the reality is that the Sandinistas are in the process of constructing a totalitarian, Marxist system; that they will try to crush any political force and anyone that stands in their way; and, meanwhile, that the economy of the country is in near collapse.

THE SORRY RECORD

What has happened in Nicaragua since Ortega's last visit to New York? The economy has virtually collapsed, leaving the vast majority of Nicaraguans mired in misery, and leaving the country dependent on Soviet handouts. The Sandinistas have scuttled the most recent and hopeful round of talks in the Contadora process, confounding their sympathizers in this country.

They have invaded Honduras, happily without achieving any of the goals of that military operation. They have accelerated their military buildup in Nicaragua, and the Soviet presence there continues to grow and grow—Soviet pilots now fly aerial reconnaissance missions around the country. And the Sandinistas have launched yet another harsh crackdown on the internal democratic opposition: La Prensa, the last free voice in Nicaragua, has been shut down, and Bishop Vega has been exiled, for the crime of speaking out on behalf of liberty.

And I might say, as an aside here, that the U.S. media would get a lot more realistic idea of Daniel Ortega's feelings about religion and Christianity by talking to Bishop Vega, than by following Ortega around to his carefully constructed "photo ops" at Sunday services in New York.

In short, the Sandinistas have abandoned their own revolution, suppressed their own people and are in the process of irretrievably wrecking their own country. That is the real record—and that ought to be the real issue—in Nicaragua.

SANDINISTAS HELLBENT ON AGGRESSION AND SUPPRESSION

We have given the Sandinistas every chance to do what they ought to do—to live up to their own promises—in their country, and in the region. They have turned a "deaf ear"—to us, to the OAS, to the Contadora process, and to the pleas of their own people. They remain hellbent on the course of aggression and suppression, and have arrogantly boasted that nothing will turn them around.

CONTRA AID BARRIER TO SANDINISTA PLANS

Well, there is one way that they can be stopped—by providing assistance to those Nicaraguan elements who remain true to the "Sandino-inspired" revolution; who remain willing to fight and die for freedom; who remain determined to win their country back from Moscow's control, and Ortega's policies.

I do not know if Ortega paid much attention to the sermon he heard in New York, but I do know that we in the Senate will soon have the opportunity to send him a message he cannot ignore. We will vote I hope and I hope very soon on providing assistance to the Contras. And I am confident that we will vote, as we have before, to provide that assistance. I hope we will have that opportunity.

Ortega and his Marxist cronies are a determined bunch. But we are determined, too. Determined to give Nicaragua a new chance for eventual peace, for real democracy, for the hope of economic and social progress.

Mr. President, I would again urge my colleagues to reach some agreement. There has been some threat or at least talk of a filibuster. I hope that is not the case. This is an issue the Senate decided favorably earlier this year. It would seem to me it is another matter that should be taken up and decided in the affirmative again.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, we will now recognize the Democratic leader.

THE RELEASE OF FATHER JENCO

Mr. BYRD. Mr. President, I associate myself with the remarks of the distinguished leader anent the release of Father Jenco, and also I wish to share the hope that the other hostages will be released soon.

MEDICAL AND LIFE INSURANCE BENEFITS FOR RETIREES

Mr. BYRD. Mr. President, before the distinguished majority leader leaves the floor, I wonder if he would consider having the second reading of S. 2690 which is on the Calendar of Bills and Joint Resolutions, read the first time so that the objection can be made to further proceeding, and that measure can then go on the calendar without our having to wait until the close of morning business.

Mr. DOLE. We can do that.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

The PRESIDING OFFICER. The clerk will read the bill.

The assistant legislative clerk read as follows:

A bill (S. 2690), to prohibit certain companies who have filed for bankruptcy from discontinuing medical and life insurance benefits to retirees.

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The bill will be placed on the calendar.

EXTENSION OF RECONCILIATION DEADLINE—CORRECTION

Mr. DOLE. Mr. President, will the minority leader yield just for one brief reconciliation deadline correction?

Mr. BYRD. Yes.

Mr. DOLE. Mr. President, the CONGRESSIONAL RECORD for last Friday shows the extended deadline for committees to submit reconciliation language to the Budget Committee as Thursday, July 29, 1986. The day should be Tuesday, July 29, 1986. I therefore ask unanimous consent that Senate committees have until 6 p.m. Tuesday, July 29, 1986, to submit their recommendations to the Senate Budget Committee pursuant to section 2 of Senate Concurrent Resolution 120.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I thank the minority leader.

Mr. BYRD. Mr. President, I thank the able majority leader.

W. AVERELL HARRIMAN, 1891–1986

Mr. BYRD. Mr. President, history's spotlight is selective, and falls customarily on the heads of the crowned and anointed. But in an exclusive arena, few men in any age have played as prominent a role in so many historic dramas as did W. Averell Harriman.

High-born but not to the purple, Governor Harriman was the son of railroad tycoon and financier E.H. Harriman. As the heir to one of America's great industrial entrepreneurs, Governor Harriman was reared in privilege and afforded the best formal education available at Groton and Yale.

Following graduation from college, Averell Harriman became a vice president of the Union Pacific Railroad and founded his own banking firm. He appeared destined to continue the course chartered by his father. By 1931, Averell Harriman was already a partner in the newly merged firm of Brown Bros., Harriman, as well as being chairman of the board of the Union Pacific Railroad. For most men, such achievements would have been unsurpassable career pinnacles.

But Averell Harriman was customed from his own pattern, and his potential outstripped the confines of Wall Street.

An active Democrat since 1928, Harriman served under President Franklin Roosevelt as an administrator in the National Recovery Administration and as a member and then Chairman of the U.S. Department of Commerce's Business Advisory Council in the midthirties. Then in the spring of 1941, President Roosevelt sent Mr. Harriman to England to expedite the Lend-Lease Program to Britain. There, Averell Harriman developed a good working relationship with Prime Minister Winston Churchill, and he undertook important missions to Moscow with Lord Beaverbrook in 1941 and with Churchill himself in 1942.

In October 1943, President Roosevelt appointed Mr. Harriman to be U.S. Ambassador to the Soviet Union, and he remained in that position into 1946. As Ambassador to our wartime Soviet allies, Averell Harriman was present at the important conferences at Quebec, Cairo, Teheran, Yalta, San Francisco, and Potsdam. Ever the circumspect diplomat, he was nonetheless a realist, advising Presidents Roosevelt and Truman to keep a correct posture vis-a-vis the Soviets, while warning against overly optimistic postwar hopes for Eastern Europe, and counseling a firm and unsentimental attitude toward the Soviet Union at the bargaining table.

In March 1946, President Truman returned Mr. Harriman to the Court of St. James, but in October of that year called him back to Washington as his Secretary of Commerce. In 1948, President Truman sent him again across the Atlantic as his special representative to coordinate the European Recovery Program. Subsequently, Averell Harriman served President Truman in other capacities until January 1953.

Though twice an unsuccessful candidate for the Democratic Party's Presidential nomination, Averell Harriman served in an elected office, winning the New York Governorship in 1954.

The Kennedy-Johnson years found Governor Harriman again in the international field, serving variously as an Ambassador-at-Large, an Assistant Secretary of State for Far Eastern Affairs, and as U.S. negotiator at the Vietnam Peace Conference in Paris.

Certainly, Averell Harriman was a public servant without peer, and all Americans owe him a irredeemable debt of gratitude for the outstanding contributions that he made throughout an incomparable career.

I know also that all of our colleagues and millions of Americans join me in extending to Mrs. Harriman and to other members of Governor Harriman's family our sincerest regrets at the loss that they have suffered in the passing of this unquestionably great American. May Governor Harriman's loved ones and friends be assured that he will ever be remembered in the pages of American history and revered in the hearts of the American people.

WILLIAM AVERELL HARRIMAN, 1891–1986

Mr. DOLE. Mr. President, on Saturday one of this century's major figures in American foreign policy passed away at his home in Yorktown Heights, NY.

When William Averell Harriman died this weekend at 94 years of age, we were all reminded of just how long this distinguished American had served our country. During war and peace, he was an Ambassador, a Cabinet Secretary, a Governor, a special envoy and an arms control negotiator to name just a few of the important positions he held during his decades of public service. Even at 91, duty called and so Ambassador Harriman traveled to Moscow in 1983 to meet with Soviet leader Yuri Andropov.

This unselfish devotion says much about the man who could have chosen a far easier way to earn a living. After all, his family fortune made it such that he would never have to worry about income. But his country's call meant more to him than the life of ease that could have been his.

Mr. President, while Ambassador Harriman and I certainly didn't see eye-to-eye on every issue, this Senator would like to pay his respects to a remarkable man who dedicated his life to public service. I am certain my colleagues will join me in expressing the sympathies of this body to the Harriman family as we remember William Averell Harriman.

AFGHANISTAN—SOVIET WITHDRAWAL

Mr. BYRD. Mr. President, the Soviet Union has announced its intention to withdraw some 5,000 Soviet troops from Afghanistan. As is often the case with Soviet policy toward that sad country, this seems part of the continuing effort to get the big-

gest public relations return on the smallest possible gesture.

Soviet troop rotations occur all the time, so this announcement is hardly newsworthy. There are between 120,000 and 150,000 Soviet soldiers in Afghanistan or close to the Afghan border. The removal of 5,000 troops is insignificant when up to 30 times that number are engaged in the systematic destruction of the Afghan people—men, women, and children.

If the Soviet Union is really serious about getting out of Afghanistan, it should present a plan for prompt withdrawal at the U.N.-sponsored negotiations meetings that will resume on July 30, 1986.

When I led a senatorial delegation to Moscow last September, we told General Secretary Gorbachev when we met with him that inasmuch as he has the power to end the war in Afghanistan, all he needs to do, Mr. President, is to remove Soviet troops. Not 5,000, not 50,000—but all Soviet forces. I am hopeful that we and the rest of the world will awaken to that story someday in the future, but I am sorry to say that I am not too sanguine that we will be awakening to such a story.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining on his time.

Mr. BYRD. I thank the Chair.

LOCKHEED'S POSSIBLE MISMANAGEMENT OF CLASSIFIED DOCUMENTS

Mr. BYRD. Mr. President, last Friday's Washington Post contained a disturbing article concerning what appears to be gross mismanagement on the part of the Lockheed Corp. in its handling of classified defense documents. The Lockheed Corp. is unable to account for at least 11 top secret documents which reportedly deal with the Air Force F-19 Stealth fighter. This information comes within weeks of the appearance in hobby stores across the Nation of a model of just such an airplane. This model is partially based on drawings which appeared in an aeronautical magazine entitled "Flug Review" which is published in Stuttgart, West Germany.

The model is manufactured in Italy for the Testor Model Co. of Rockford, IL. The model manufacturer maintains that all of its source material was obtained from open sources. The question I have, however, is what relation, if any, there is between the still unaccounted for Lockheed documents and both the drawings which appeared in the West German publication and the aircraft specifications which are contained in the kit's directions. Let me repeat that Mr. President—the aircraft's specifications are included in the model's directions! Are these specifications merely informed speculation or do they really reflect an existing top secret aircraft!

On July 11, an Air Force plane crashed in a mountainous area of California, tragically killing its pilot, Maj. Ross E. Mulhare. The crash site was immediately cordoned off, declared a national security area and civilian overflights were prohibited. The crash ignited a brush fire which took firefighters 16 hours to extinguish. The firefighters were not allowed near the immediate crash site and they were required to sign forms agreeing not to discuss what they had seen at the site. There has been a great deal of speculation in the press that the plane that crashed was indeed an F-19 Stealth fighter. It seems tragically ironic that while all this elaborate security was involved at the crash site, a model which may reflect the actual aircraft is on sale in hobby stores across the country.

Investigations into Lockheed's possible mismanagement of classified documents are now being conducted by the Pentagon, the General Accounting Office, and the House Energy and Commerce Committee's Subcommittee on Oversight and Investigation. I believe that at the very least the Senate Armed Services Committee and possibly the Senate Intelligence Committee should look into whether there is any relation between the Testor Co.'s source material and Lockheed Corp.'s missing classified documents.

Mr. President, I ask unanimous consent that an article from the Washington Post of July 26, entitled "Stealth's Appearance in Toy Stores Is Not Kid-stuff, Lawmakers Say," be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 26, 1986]

STEALTH'S APPEARANCE IN TOY STORES IS NOT KID'S STUFF, LAWMAKERS SAY

(By Michael Isikoff)

Attention all foreign spies. If you want to know what the Air Force's supersecret Stealth fighter jet looks like, try your local toy store.

A model of the F-19 Stealth—an aircraft so sensitive the Pentagon will not even say it exists—is available for $9.95 at toy stores across the country. And according to its manufacturer, Testor Corp. of Rockford, IL, it's quickly become the hottest selling model in the country, raising new questions on Capitol Hill about the rigid secrecy surrounding the supposedly "invisible" aircraft.

"It's bizzare," says Rep. Ron Wyden (D-Ore.), who held up a copy of the Stealth model during a House subcommittee on oversight and investigations hearing this week. "What I, as a member of Congress, am not even allowed to see is now ending up in model packages."

The secrecy of Stealth got fresh scrutiny at the hearing when the aircraft's builder, Lockheed Corp., acknowledged that it cannot locate more than 1,000 classified documents relating to the program. Subcommittee members were incensed at the potential security breach; they say it shows that so much information about Stealth already has come out that Pentagon's nontalk policy no longer makes sense.

"As far as the security system on this goes, it's like the old Gertrude Stein quote—'there's no there, there,'" Wyden said yesterday. "The fact is [the Stealth security system] is absurdly easy to penetrate."

The Stealth model drives home the point, he said.

Since the model first hit the market at the end of June, sales have been booming. About 100,000 Stealth kits have been ordered by toy stores already—three times more than a typical new model plane.

"You've got a little bit of mystery about it—and that makes it exciting," said Steve Kass, Testor's national field sales manager. "In terms of units sold, this will be the number one selling kit this year."

But Kass said the model gives away no secrets that haven't already been published in a flood of trade press stories. Stealth aircraft are designed to escape detection by enemy radar. But the model doesn't reveal the aircraft's insides, which, according to Kass, is where the real Stealth secrets are.

Moreover, he added, none of the missing Lockheed documents were used in designing the model.

"We're all patriotic, loyal citizens here," Kass said. "Everything we got, you can get out of any library."

According to some experts, that is quite a bit. Bill Sweetman, author of a book on Stealth aircraft, says the model "in size and proportion and quite possibly in overall plan . . . is pretty accurate."

The model also contains a number of details about Stealth technology that the Defense Department never has publicly discussed.

On the side of the model's box is an "F-19 Stealth Fighter Profile." It states that real Stealth jets "operate from remote, top-secret airbases," use laser technology to guide Maverick missiles, and include folding outer wing panels so they can be transported inside Lockheed C-5 Galaxy airplanes.

When asked to comment about the model yesterday, Pentagon spokeswoman Jan Bodanyi refused. "I have nothing to say about this alleged Stealth fighter," she said. "I can't even say there is such a thing."

Mr. BYRD. Mr. President, I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for a period not to exceed 5 minutes.

Mr. PROXMIRE. Thank you, Mr. President.

NO, WASHINGTON POST, IT WAS NOT A GOOD MONTH FOR ARMS CONTROL

Mr. PROXMIRE. Mr. President, the Nation is blessed with a vigorous, intelligent, critical press. It is specially blessed with the presence here in the Capital of an extraordinarily fine newspaper, the Washington Post. A

Washington newspaper has a particularly emphatic influence on the Nation's policies in any event. Those of us who are elected to serve our country here in Washington derive much of our news from the Washington media, just because it is conveniently available. Those of us who serve in the Senate, of course, owe our first allegiance to our home State. But the local Washington press covers the news of what is going on in the town where we, perforce, as a matter of duty, spend more than half our time. So both its location and its general excellence give it a strong and sometimes a decisive influence.

I say all this, Mr. President, because on Wednesday, July 23, the Post carried an editorial with which this Senator must virgorously disagree. The editorial was headlined: "A Good Month for Arms Control." The thrust of the editorial is that the arms control deal "coming into view would involve deep cuts in offensive arms and agreed restraints on the development and deployment of defensive arms." And why is such a deal possible? Because, argued the Post President Reagan "unveiled his plan for a missile defense in space."

Now, come on, fellas, that "missile defense in space" proposal by President Reagan constitutes a direct attack on the Anti-Ballistic Missile arms control treaty. The ABM treaty was ratified 89 to 2 by the Senate. It had a single, simple purpose: To stop any attempt to deploy a comprehensive shield against offensive arms. Those of us who voted to ratify that treaty considered it a vital step toward nuclear peace. Why? Because a star wars defense would, if successful, destroy the credibility of the adversary's deterrent. So what would be the reaction of the adversary? The adversary would go all-out to build an offensive arsenal that could overwhelm, spook, evade, underfly, deceive, or somehow penetrate the star wars defense. Virtually any technological advances that might improve the star wars defense such as super lasers or sensors could be readily used by the adversary to overcome star wars.

Star wars has only three handicaps: First, it will not work; second, it would cost $1 trillion, and third, a paranoid misapprehension by the adversary that it might work would kick off an immense buildup in offensive arms to overcome it.

Now comes an administration with a perfect 100-percent record of opposing any and all arms control treaties. It has done this at a time when Marshall Shulman, the head of Advanced Institute for the Study of the Soviet Union at Columbia University, says that in the 40 years he has been studying the Soviet Union, he has never seen a time when the Soviets are more willing to negotiate an end to the arms race. But in more than 5 years, the administration has made no progress in negotiating even the hint of the treaty. It is worse—much worse. The administration has gutted every arms control treaty painstakingly negotiated by past administrations. Just look at the score. It has renounced the solemn and explicit promise embodied in two treaties signed by U.S. Presidents, one of which has been ratified. Both of those treaties promised to negotiate a comprehensive test ban treaty.

So how about it? Will the administration try to negotiate such a treaty? "No way," says the administration. Here is an administration that has made its No. 1 military priority a star wars system that would expressly repudiate the anti-ballistic-missile arms control treaty. It has pronounced SALT II dead and cold in its grave. So what significant arms control treaty is left? Answer: Nothing.

And yet the Washington Post calls this month a good month for arms control. Why is it good? Oh, sure, the President has toned down his rhetoric about the evil empire. He has said the Soviets are serious about arms control. He has had his negotiating team at Geneva for more than a year and a half. He has announced that he is for arms control just as he has announced that he is against apartheid in South Africa. But on arms control, as on South Africa, the administration has been free with the rhetoric and the procedure. But they have struck out, and they have not budged an inch on the substance.

The Post reports that Secretary Weinberger is lamenting the possibility the administration may trade a star wars delay for an offensive nuclear missile reduction. Maybe, just maybe a deal may purport to stall star wars. So it will not advance beyond laboratory research for 5 or 7 years. What kind of deal is that?

Mr. President, there is every reason to believe that with budget restraints what they are and star wars showing such feeble promise, Congress will not fund star wars research at a rate that could possibly advance star wars beyond the research stage in less than 7 years, with or without an agreement with the Soviets. And what is the reported proposal that is said to give Mr. Weinberger such fits, and advance arms control so impressively? It is a 5- to 7-year proposed delay in any star wars advance beyond the research laboratories. If the Soviets buy this proposal, it will mean they have wised up on the emptiness of the star wars threat. It will mean the Soviets are willing to reduce their offensive nuclear arsenal because they know it is excessive in a world in which star wars will fail.

This is a transparent minuet. Star wars will not get out of the laboratory in 7 years in any event, agreement or no agreement. The Soviets know it. But to argue as the Post has that this is a good month for arms control in view of the arms control wreckage left in the wake of the first 5½ years of this administration is like hailing the resurrection of the *Titanic* 70 years after it sank, as a successful rescue.

A TRIBUTE TO A BRILLIANT CONGRESSMAN, DAVID OBEY OF WISCONSIN

Mr. PROXMIRE. Mr. President, in an article in the Sunday, July 27, Washington Post, Richard Bolling pays tribute to a Wisconsin Member of the House of Representatives that this Senator cannot ignore. Richard Bolling served for 34 years in the House. No Member of the House was more widely respected than Dick Bolling for his intelligence and his blunt, tell-it-like-it-is honesty. The Post article provides Dick Bolling's advice on how not to run for Speaker. Bolling was a leading candidate for Speaker of the House in 1977. Here is what Bolling writes about DAVID OBEY. OBEY is the Representative in the House of Seventh District of Wisconsin—that is most of northern Wisconsin. Now listen to Bolling:

> The finest legislator on the Democratic side of the House, in integrity, long experience, intuition and knowledge, is Dave Obey of Wisconsin. Many members say he cannot be elected to the House leadership because of his temper or his temperament. I don't believe this because every now and then the majority of Democrats break their pattern and support the best legislator they have available. They did with Rayburn, I suppose to their continuing amazement.

Mr. President, I bring this vignette from the typewriter of Richard Bolling to the attention of my colleagues here in the Senate because it is true. This is not just provincial hype. Former Congressman Bolling came not from Wisconsin, but from Missouri.

MYTH OF THE DAY: ENVIRONMENTAL PROTECTION LAWS HARM PRODUCTIVITY AND REDUCE EMPLOYMENT

Mr. PROXMIRE. Mr. President, one of the most persistent myths about America's environmental laws is that they act as a brake on our economy, eliminating jobs and decreasing productivity.

Aside from their obvious benefits for public health and the quality of life, environmental laws have other, less noticed side effects.

According to a recent study by Management Information Services [MISI], a Washington, DC, consulting firm, over the past 15 years annual spending by the pollution abatement and control industry grew from $18 billion to almost $70 billion. In just 1 year, 1985,

this industry invested $8.5 billion and created 167,000 new jobs.

MISI based its study on Department of Commerce and trade association data. According to the report, entitled "Economic and Employment Benefits of Investments in Environmental Protection," "whether they realize it or not, many workers would be umemployed today were it not for investments in the pollution abatement and control business."

The companies created ranged from manufacturers of smokestack emission control equipment to laboratories which test for chemical contamination.

As for productivity, regulations which forbid companies from discharging liquid and solid waste often result in the installation of new, more productive processes. Instead of being discharged, pollutants become valuable resources which get recycled, saving on input costs.

Other industries such as breweries depend on clean water or air for their processes and locate in regions where they are abundant. Tourism, too, depends on a healthy environment for its survival.

This is one myth that deserves debunking.

Mr. President, I suggest the absence of a quorum.

I withhold that, Mr. President. I yield the floor.

RECOGNITION OF SENATOR LEVIN

The PRESIDING OFFICER. Under the previous order, the Senator from Michigan, Mr. LEVIN, is recognized for a period not to exceed 5 minutes.

Mr. LEVIN. Mr. President, I thank the Chair and I thank my friend from Wisconsin.

TIMETABLE ON THE TAX BILL

Mr. LEVIN. Mr. President, we all know that once the conventional wisdom is established, it resists change. So it is not surprising that, despite growing signs to the contrary, some people still predict that somehow the conference committee on the tax bill will reach agreement and, when that happens, the Congress can pass it—all before August 15—and, as that prediction goes, the President will sign it by Labor Day.

Now, Mr. President, that just should not happen. In pragmatic terms, the conference committee, while working quickly, is not about to reach a hasty decision. The bills before it are both profound and complex. As the events over the weekend suggest, producing a consistent and coherent piece of legislation will not be easy. If an agreement is reached in August, it probably will not be reached much before the 15th. Senator DOLE has implicitly recognized that—while he still allows for the consideration of the conference report, it no longer is highlighted as a piece of legislation which must be passed before the August recess.

That, I think, does more than recognize what reality is. In my book, it recognizes what reality ought to be. The plain truth is that even if we could, we should not consider this conference report until after we return from the recess.

□ 1240

There are two reasons to wait. The first is a traditional and valid concern: Both the Congress and the country will need some time to study the details of the report. Even a month and a half after the Senate bill took form, we are still discovering new items in it and debating the different implications which flow from it. We ought to take time to look at how issues like IRA's and State sales taxes and medical expenses and retroactivity and capital gains and all the rest are resolved by the conference report. And I know it will take some time to do an analysis of the conference report to determine if it involves—as the Senate bill did—possible tax increases for one-fourth to one-third of all middle-income Americans. So we need some time to study the legislation which emerges from the conference committee.

But we ought not rush to judgment for a second reason: this tax bill is being shaped in a unique economic environment. Some significant fiscal streams—spending and revenues—are flowing into a budgetary ocean right now.

In terms of the deficit, we have made an irrevocable commitment in Gramm-Rudman-Hollings: we will reduce it. We can fulfill that commitment by decreasing spending, by increasing revenues or by a combination of the two. Clearly the choice we make about how to reduce the deficit should, to a degree, be dependent on the size of the deficit. After all, it is one thing to depend on just spending restraint if you need to get $5 billion to meet your deficit goals; it is quite another thing to place the entire burden of meeting deficit goals on spending alone if you need to get $25 billion.

Well, we are about to find out just how many billions we will need to get. On August 15, a deficit snapshot will be taken. But it can take up to 15 days to be fully developed. It just makes no sense to take final action on the tax bill before the deficit picture is clear. If we do, we may find—much to our regret—that the final budgetary picture is badly out of focus.

Let me give you an example. Current rumor indicates that even under the terms of the budget we adopted and even with the reconciliation bill, we may miss the Gramm-Rudman-Hollings target by as much as $20 to $25 billion in the next fiscal year.

Twenty to twenty-five billion dollars. If we depend on a sequester order to fill that gap, every program, every project, every activity—except for specified protected programs—would have to be slashed by around 10 percent.

Few people want to see that happen. It is not a rational or just or equitable or fair or reasonable way to meet the targets we must reach. But it is what we will do—indeed it is what we should do given the massive danger the deficit poses—if we do not develop a more balanced program for meeting our deficit goals.

A balanced budget program must, of course, include a series of targeted spending cuts. But it should also restrict the degree to which we must depend on cuts by increasing revenues as well.

Neither the House nor the Senate tax reform bill makes a meaningful contribution to that goal. Neither bill looks at tax policy as a part of the budgetary process. Both deny us additional revenues because they accept, as a premise, the notion of revenue neutrality. While revenue neutrality may make some sense in terms of tax policy, it makes no sense at all if viewed from the perspective of our over-riding economic and budget needs.

Now, Mr. President, I am a realist. If a revenue neutral tax bill came before us today, it would be adopted—just as it was last month in the Senate and last year, in the House. We would adopt it even though we understand, in some intellectual way, that revenue neutrality is inconsistent with fiscal responsibility. But if we consider the tax bill at the same time that we are forced to face a $25 billion sequester order—and we probably will face such an order in September—well, then the situation may be different. It will not just be an intellectual problem. It will be an emotional and a political problem of the first order. And, as a result, we may take the opportunity to review our priorities, reexamine our options, and revisit the concept of tax reform.

In that environment we might do what we should do: impose a tough minimum tax, tighten up tax loopholes and apply most of those revenues to deficit reduction rather than using them to fund uneven tax cuts.

We would no longer be operating in a vacuum of uncertainty regarding the precise size of our deficit-reduction request. The chemistry would totally change.

And that, Mr. President, is why a conference report on the tax bill—even if it were available—should not be considered until we return in September. And that is why this Senator is encouraged by the fact that the tax

bill is no longer specifically identified by name by the majority leader in the list of legislation which "must" be considered before recess.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for a period of time not to extend beyond the hour of 1 p.m., with statements limited therein to 5 minutes each.

The Chair now recognizes the Senator from North Carolina.

MATTIE SHARPLESS: A CREDIT TO NORTH CAROLINA AND THE NATION

Mr. HELMS. Mr. President, Harry Golden wrote a book entitled, "Only in America," in which he cited many examples of how hard work, dedication and high principle can take Americans to astonishing success.

Today, let me brag a bit about Mattie Sharpless, a young black woman born in Hampstead, NC—one of 17 children who spent their early years in a small home in eastern North Carolina. Their home had no plumbing, and their mother was widowed before her children were grown.

The mother, Mrs. Lecola Sharpless, never accepted welfare—she raised those children by working hard herself, and teaching them to work.

Now, Mr. President, about Mattie Sharpless: I said that I was going to brag about Mattie. But was it Dizzy Dean who said that "braggin' ain't braggin' if you can prove it"? And I can prove it, because today, Mattie Sharpless is in Rome, at the U.S. Embassy there, following a promotion from her previous assignment in Switzerland as Agricultural Counselor at our Embassy at Bern.

Thanks to our distinguished U.S. Ambassador to Switzerland, Faith Whittlesey, I learned the details about Mattie's career. And I have a copy of the publication, "Equal Opportunity," which reviews that career. Ambassador Whittlesey states that Miss Sharpless supervises a staff of seven at the U.S. Embassy in Rome, adding that Mattie "is a superb representative of our country, patriotic, poised, warm, friendly and highly professional in every respect."

I think I have proved my bragging, Mr. President, and I ask unanimous consent that the aforementioned "Equal Opportunity" article about Mattie Sharpless be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MATTIE SHARPLESS: MAKING GOVERNMENT HER CAREER

(By Lorraine Stuart Merrill)

"I strongly believe that one should set personal goals in life," confides Mattie Sharpless, agricultural counselor to the U.S. Embassy in Bern, Switzerland.

High self-esteem and confidence while working to achieve those goals, Sharpless notes, are essential to success with this government career strategy. Sharpless has been setting goals for herself since her days as a schoolgirl in rural North Carolina.

Sharpless had always wanted to see the world. While studying business education at North Carolina College in Durham, NC, she cherished her dream of travel abroad. Awarded her bachelor's degree, she had decided that service in the Peace Corps would offer her the opportunity for both travel and service to others.

But Sharpless would not see foreign lands as a Peace Corps worker; her father had died, leaving her mother with a large family to support and educate. Her mother persuaded her that she needed to find a job that would provide a dependable income.

Taking a job as an administrative assistant with the United States Department of Agriculture's Soil Conservation Service, Sharpless moved to Washington, DC following her graduation from college. Shortly after arriving in the nation's capital, she learned of the existence of the Foreign Agriculture Service, another branch of the Department of Agriculture. Seeing her chance for travel, within six months of her arrival in Washington she had transferred to a similar clerical position with the FAS.

The FAS is an agency of the US government which is connected with both the Department of Agriculture and the Department of State. Agriculture is a vital part of the economy, for the United States, and for all the countries of the world.

FAS officers gather and analyze information on the farm policy, production, and trade of foreign countries for the American government and public. They are also responsible for communicating information on American agricultural policy, production, and trade to foreign government and agricultural leaders. High-ranking FAS officers, titled agricultural counselors and attachés, are stationed at American embassies and missions around the world.

They are diplomats, employees of the Foreign Service (Department of State) as well as the FAS, appointed to represent the US government in its relations with other nations and international organizations. Due to their diplomatic roles, agricultural counselors and attachés must be experts at dealing with people in other countries, as well as experts in economics and agriculture.

Sharpless' first foreign assignment was with the US delegation to the Kennedy Round of Multilateral Trade Negotiations in Geneva, Switzerland. A year later she was transferred to Paris, where she worked for four and one-half years in the Office of the Agricultural Attaché at the US Mission to the Organization for Economic Cooperation and Development. She had certainly achieved her goal of traveling to exciting places, but she found that this alone was not enough to satisfy her need for challenge.

"I found I was doing my bosses' work," she comments during an interview at her office at the American Embassy in Bern, overlooking the turquoise waters of the River Aare. "So I earned a master's degree in business administration and economics (from North Carolina Central University) and became an international economist in the International Trade Section of the FAS." Sharpless continues her education, particularly in foreign languages, with graduate courses taken through the USDA's graduate school program.

With her added qualifications, Sharpless began her serious climb of the career ladder. She speaks with the most excitement of her post as assistant agricultural attaché to the US Mission to the European Communities in Brussels, Belgium.

In Brussels she monitored the agricultural trade policies of the Community, the economic organziation of the then ten Western European nations, to watch for adverse impact on American agricultural trade on the world market or with the Community itself. Here, Sharpless says, she witnessed and relished "the brawl of international trade relations between the European Community and the United States.

Transferred back to Washington, Sharpless was named Group Leader of the Western European Group of the Western Europe and Inter-America Division of the FAS. In this position she and her five-member staff were responsible for following the agricultural trade policies of all the Western European nations. Then the Secretary of Agriculture appointed Sharpless to her present post as Agricultural Attaché to the American Embassy in Bern. Promoted to the rank of Agricultural Counsel in the summer of 1985. Sharpless continues as the top FAS representative at the embassy in Bern. Few women or blacks have achieved this rank in the Foreign Service.

"Oh, I still get a lot of mail addressed to 'Mr.' Mattie Sharpless," She adds. And, yes, being a female makes her work a bigger challenge. "It's two or three times as tough for women to get European men 'especially' to listen to them and take them seriously. But eventually they find they can trust you to know what you're talking about. . ." she says confidently. At present there is one woman agricultural counselor and one agricultural attaché representing the United States in Europe. Sharpless wishes more young women and young blacks would pursue FAS careers.

Just returning from a skiing holiday in the French Alps at the time of the interview, Sharpless is enjoying her post in Switzerland. Bern is a beautiful medieval city. She loves the fabled Swiss landscape, particularly the incomparably cared-for farms, and is fascinated with the multilingual society. She has much respect and affection for the Swiss people.

Sharpless becomes even more animated as she talks about her pride in her work. "Agriculture is an integral part of world affairs—in food for the needy, international trade affairs, the role of agriculture in the United Nations, and more." To Sharpless, one of the most interesting areas is "The international side—the multilateral trade agreements." She expresses great pride in the world agricultural data produced and analyzed by the FAS which, she says, is valued around the world.

"My career in the FAS has been challenging and rewarding. Being in the Foreign Service provides a great opportunity to work and live abroad and to broaden one's horizons in life," says Sharpless.

She has found the challenges of adjusting to the different cultures and ways of life to be valuable experience. Especially challenging is the need to become adept in the languages of host countries. Sharpless is fluent

in French, and is rapidly gaining proficiency in German. Knowledge of at least one foreign language is required for a career in the FAS, and the more language background a individual has, the better.

Recipient of numerous awards and certificates for outstanding performance and career development, as well as bonus awards for her proficiency in French, Sharpless has always worked to live up to her motto, "To be the best at what you do, and strive for the utmost in professionalism while doing it."

Excelling in a tough, competitive field is not easy. The single most important thing in building a career is to satisfy yourself, she adds. When you set standards, and meet them, the job is well done, and "monetary rewards will ultimately follow."

The same qualities are required for scaling a career ladder, according to Sharpless, whether the career is in government or private industry. She lists those qualities as "strength, perseverance, determination, and most of all, a positive outlook on life." The setting of personal goals is important in setting the direction of a career path. Then, she advises, always believing in your ability to achieve those goals, "strive for excellence in whatever you set out to achieve."

"My advice to young people today." Sharpless counsels, "is to become educated at the highest level possible. The work environment is extremely competitive, and today, a four-year degree is just a stepping stone to the path of the career ladder."

Good working relationships with coworkers, and earning that respect and building working relationships.

How to prepare for a potentially glamorous and challenging career was the FAS?

Some type of farm background is a help, but this does not have to mean growing up on a farm. College concentration should be in economics, agricultural economics, or possibly a field like agronomy, with some economics. A master's degree is preferred. Working knowlege of a language, or some type of international experience, is usually required. At any rate, be prepared to learn at least one language.

Competition is stiff, but well-qualified candidates are always in demand, according to FAS officials in Washington. One officer recommends that an interested college student find a way to get some foreign agricultural experience, such as an exchange program or serving in the Peace Corps.

A career in the Foreign Agricultural Service begins with a three-year probationary period, followed by an eligibility review which includes written and oral examinations. An employee who passes this screening receives Foreign Service classification with the Department of State and is eligible for posting overseas.

Agricultural Counselor Sharpless is enjoying her tour of duty in Switzerland, and looks forward to serving the customary four years in this post. Always ready for a new challenge and the opportunity to get to know another corner of the world, she would like a post in Africa next. Only Mattie Sharpless knows where her career will lead. You see she sets these goals.

TV JOURNALISTS ADMIT IT: THEY'RE BIASED IN FAVOR OF LIBERAL CAUSES

Mr. HELMS. Mr. President, over the weekend I had occasion to read several interesting articles reinforcing my June 26 comments in the Senate relating to claims made by Dr. Larry Brown of the Physician Task Force on Hunger in America.

One of my concerns is the manner in which the news media accept at face value absurd charges made by Dr. Brown and others with regard to the status of poor Americans when any objective analysis of Dr. Brown's charges discloses significant weaknesses. The General Accounting Office, after having examined the methodology of the task force report, concluded that the "study's overall methodological limitations are such as to cast general doubt on the study's result." These flaws, according to GAO, were "sufficient to vitate the overall integrity and credibility of the report." Such shortcomings, including the GAO report, have largely been ignored by the media.

Confirmation of the media's bias has come in the form of a recent article in the summer edition of Policy Review, the quarterly publication of the Heritage Foundation.

Mr. President, the point is this: Why do so many elements of the major media inevitably give instant credibility to liberal viewpoints—without bothering to check the other side of the story?

Rebecca Chase of ABC News was interviewed in the course of the Policy Review article and provided a graphic example. Let me quote from the article:

Many reporters instinctively give credibility to liberal sources. Chase cites the recent Harvard Task Force report on hunger, which identified 20 million hungry Americans. Following up on the study, Chase went to one of the towns identified in the study as worst off. "It was the part of Texas where Texas A&M is located," Chase says. "Of course students list low incomes, so the average income is very low. But those students aren't hungry. The real problem is with food stamp distribution, and it is in other parts of Texas that weren't mentioned in the study." Too often, reporters don't bother to do fact-checking when faced with claims that fit their cultural predispositions, Chase said. But let the administration make a claim that some place is better off than before, and there is a frenzied effort to prove it factually wrong.

Mr. President, the article elaborated on contrived efforts to produce hungry people for television reports. "New York and Washington producers of the networks were almost in competition to find hungry people," Chase says, in covering the recent Hands Across America event. According to the article:

One reporter was asked to scour the small towns of Mississippi to find hungry people; she traveled for days, sometimes through places where 80 to 90 percent of the people were on food stamps, but she couldn't find hungry people.

Basically, the evidence shows that we have a food stamp program that works pretty well,

Chase says.

But some people are convinced that there is a massive problem. So they put pressure on us reporters in the bureaus to find facts to confirm their theories. Often reporters are just lazy—they call up the local hunger coalition and they produce a hungry person to go on the air.

Mr. President, I ask unanimous consent that an editorial from the Detroit News, entitled "Hands Across Our Eyes," be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HANDS ACROSS OUR EYES

Hunger, in case you haven't noticed, has become the most sensational national "problem." Journalists, inspired by docudramas and Hands Across America, have scoured the nation to find hungry people—and contradict the president's assertions that there's enough food and federal help to feed any hungry Americans. What you probably haven't heard is that most of the horrow stories are contrived.

The latest issue of Policy Review magazine carries an extraordinary piece by managing editor Dinesh D'Souza. In the course of his study of the "liberal culture of network news," Mr. D'Souza interviewed ABC-TV reporter Rebecca Chase who "admitted to exasperation with the way the three networks covered the issue of hunger during "Hands Across America." Ms. Chase told him that network producers "were almost in competition to find hungry people. One reporter was asked to scour the small towns of Mississippi to find hungry people; she traveled for days, sometimes through places where 80 to 90 percent of people were on food stamps, but she couldn't find hungry people."

"Basically," she continued, "the evidence shows that we have a food stamp program that works pretty well. But some people are convinced that there is a massive problem. So they put pressure on us reporters in the bureaus to find the facts to confirm their theories. Often reporters are just lazy—they call up the local hunger coalition and they produce a hungry person to go on the air," Ms. Chase was particularly offended—and rightly so—by the Harvard Physicians Task Force on Hunger and its "study" which supposedly identified 20 million hungry Americans.

In following up on the study, released last fall, Ms. Chase went to one of the towns identified as among the "hungriest" in America. She said: "It was the part of Texas where Texas A&M is located. Of course students list low incomes, so the average income (used in the study) is very low. But those students aren't hungry."

Moreover, the Harvard study that inspired her investigation also was bogus. The General Accounting Office (GAO), Congress' nominally nonpartisan research arm, released a scathing methodological review of the Harvard hunger study last March, concluding that "the study's overall methodological limitations are such as to cast general doubt on the study's results."

The GAO found that the Harvard "study" had used very crude statistical methods, including the use of a single month's participation in the food stamp program (July, normally the lowest month) and questionably updated 1970 poverty estimates to determine the level of hunger in 1985, finding

these flaws "sufficient to vitiate the overall integrity and credibility of the report."

This devastating critique of the work of the foremost promoter of the "growing hunger problem," was never reported by the media. Instead, Harvard's Lester Brown received unchallenged air time throughout the "Hands Across America" hype, presenting his fundamentally flawed study as "evidence." As Ms. Chase admitted to Policy Review, reporters are much too willing to accept any claims that fit their own ideological predispositions, while making "frenzied efforts to disprove" counterclaims by the administration.

This may explain why Hands, for all of its vast hype, raised, a tiny net of only $11 million after spending all of the $17 million it got from Corporate America on administrative expense. That $11 million amounts to about one hour's worth of normal federal food-stamp distribution.

What is most troubling about all of this is that virtually every serious statistical indicator shows that hunger in America is declining, not rising. Personal incomes have continued since 1980 to rise twice as fast as food prices, and Americans were able to buy more and more food, with a smaller share of their income (now down to 14.4 percent of total income).

This may explain why in the latest Prevention magazine, a study shows that the percent of Americans that are overweight has risen from 58 percent in 1983 to 62 percent in 1985. Let's hope that some of us in that latter category at least got some exercise value out of Hands, because the rest of it was largely a troubling and fraudulent political manipulation of America's deeply generous and humanitarian impulses.

Mr. President, let me reiterate for purposes of the RECORD that this is Rebecca Chase of ABC television speaking.

Mr. President, the Policy Review article outlines admissions of bias by various television journalists. The admissions are startling, Irving R. Levine of NBC News was asked why his coverage during the economic recovery stressed those who were still out of work. "I have tried to bring a deep skepticism to the President's politics," Levine explains. "My reports on Reagan's economic program focused on their deficiencies and contradictions."

Jeff Greenfield of ABC News admits to a bias in coverage of social issues. Again, quoting from Policy Review:

The cosmopolitan nature of the network news makes it virtually impossible for the traditionalist point of view to be aired, he says. He gives the example of the Reagan proposal to inform parents when their minor children receive contraceptives. This was nastily dubbed the "squeal rule," Greenfield says. I have a daughter and I want to know if she is being fitted for a diaphragm. As least his should be a proper subject for policy debate. But most TV reporters covered the controversy as through the only people who favored the so-called squeal rule were anti-sex theocrats.

This bias with regard to foreign policy news coverage is a matter, Mr. President, with which I am personally familiar. The major media have no shame when it comes to omissions or distortions of facts.

Author Dinesh D'Souza asked about certain double standards in television news coverage:

I asked John McWethy of ABC News why the networks frequently describe South Africa as an evil empire, but cringe when the same term is used to characterize the Soviet Union. Presumably a uniform zest for negativism or drama, or an evenly anti-authority bias, would demand that equally stringent human rights standards be applied to both countries. McWethy firmly defended the double standard. Reagan's evil empire comment "was a gaffe because we are dealing with a country with a nuclear arsenal that can destroy us." By contrast, "You can call South Africa an evil empire with no really horrendous implications." By this logic, all the world's moral opprobrium should fall on some place like Suriname or Uganda. Is it fear, and not moral considerations, which dictates our human rights criticism of other countries? John McWethy was silent; he didn't really have an answer.

Shifting ground a little, I asked McWethy why coverage of turmoil in South Africa and Ethiopia was treated so differently by the network media. While in both cases the governments were criticized, it seemed that the South African criticism was systemic—the assumption being that apartheid had to go and the only question was when, not whether—while criticism of Ethiopia was never directly aimed at the structure of oppression, Communist collectivization. "You're comparing apples and oranges," McWethy protested. "Ethiopia is a two bit country nowhere as important as South Africa." Why not—because there are fewer whites there? "The focus of our coverage in Ethiopia was on the human tragedy of drought. The government was incidental to the story." By contrast, McWethy maintained, "South Africa purports to be a democracy, so we can judge it by those standards."

Richard Threlkeld of ABC News argued similarly:

The story in Ethiopia was our effort to get food to starving people. It was a starving people story. In South Africa the whole point seems to be a generation-old system of oppression.

These television journalists were at least consistent in their bias against anti-Communist countries and their preference for socialist countries, regardless of the latter's shortcomings:

One very intriguing thing that both McWethy and Threlkeld admit is that television news judges free countries and totalitarian countries by different standards. When I asked McWethy about TV coverage of the Nicaraguan and Philippine elections, and why there wasn't as enthusiastic a demonstration of fraud in the former case, he said, "It was clear that the Nicaraguan elections were a joke. But most reporters felt that was different. Nicaragua is a totalitarian country." McWethy concedes that "Sometimes reporters operate differently in totalitarian countries than in free countries."

Threlkeld says that "We can't see much behind the curtain of oppression in Communist countries and certain Third World countries. Syria, for example, won't let us take the pictures we want. That's why we report on Israel's abuses so much. Democratic countries are more vulnerable to being exposed by TV news." South Africa gets the worst coverage, Threlkeld says, because "South Africa calls itself a civilized and pluralistic society." But, I said, the Soviet constitution makes similar extravagant claims of freedom that are not met—why not assess it by that standard? "Marxist rhetoric makes claims of freedom. But nobody believes it." What if South Africa were to renounce the West and ally itself with the Soviet Union—would that guarantee it a better shake from the American TV media? Threlkeld was taken aback. "That shouldn't be an incentive for South Africa to go Communist," he said, sheepishly.

Sometimes, our friends must wonder. Perhaps, Mr. President, we should evaluate television news based on the ability of the networks to report on the alleged oppression within a country. Surely the oppression alleged in South Africa, Chile, the Philippines, El Salvador, South Korea, and every other anti-Communist country ought to be balanced with an assessment of oppression in the Soviet Union, Cuba, North Korea, Afghanistan, and every other country controlled by the Communists. The fact is, the oppression in Communist countries is so great that outside television journalists are not even permitted in. Yet in those countries trying to implement democratic deals, their shortcomings are generally available for all to see.

The Heritage Foundation article contains a number of interesting interviews in which television reporters are asked questions, instead of asking them. The obvious biases in their answers are indeed instructive.

Mr. President, I ask unanimous consent that the article, "Mr. Donaldson Goes to Washington," and another piece "Hands in the Cookie Jar," both from the summer edition of the Policy Review, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in RECORD, as follows:

MR. DONALDSON GOES TO WASHINGTON—POLITICS AND SOCIAL CLIMBING IN THE TV NEWSROOM

(Dinesh D'Souza)

There is an overwhelming, and sometimes quite vehement, conviction on the right that television journalists are East Coast liberals, raised in opulence, schooled at the Ivies, recruited into the profession to promote a radical elitist world view.

The evidence shows that most TV reporters are not products of the liberal establishment. To give a few examples: Mike Wallace of CBS grew up in the Midwest and attended the University of Michigan. Roger Mudd of NBC hails from Richmond, Virginia. Steve Bell of ABC grew up in Iowa. Ken Bode of NBC, a native Iowan, attended the University of South Dakota. Richard Threlkeld of ABC went to Ripon College in Wisconsin. Dan Rather of CBS was born in Wharton, Texas, the son of a ditchdigger, and went to Sam Houston State Teachers' College. Charles Kuralt of CBS was raised in Wilmington, North Carolina. Jim Miklaszewski of NBC grew up in Milwaukee and attended Tarrant County Junior College in Texas. Diane Sawyer of CBS grew up in Kentucky.

Bettina Gregory of ABC correctly notes that, in network journalism, "the emphasis is away from the East Coast liberal axis." The reason for this, producers say, is that TV news reaches into homes all over the country and thus needs faces and voices that are not parochial but have wide appeal. Midwestern accents and all-American looks are a real asset, and of late even Southern intonations seem to be fashionable.

No matter where he comes from, however, the aspiring TV journalist typically adopts a left-liberal world view as he picks up the tools of his trade. There is nothing conspiratorial in this. To get their stories on the air, TV journalists have to embrace the culture of network news, either consciously or unconsciously. It is only natural that an ambitious, social climbing reporter from the heartland who wants to please his colleagues and his superiors will absorb their ideas of what makes a good story, of what is considered responsible journalism. And since the culture of television journalism is liberal, it is hardly surprising that reporters get their idea of what is news—ultimately the most ideological question in journalism—from a whole range of left-liberal assumptions, inclinations, and expectations.

An interview with Sam Donaldson in the March 1983 Playboy offers a revealing look at political socialization in the newsroom. Donaldson did not start out as a liberal crusader. He was raised on a farm in El Paso, Texas. His mother was a devout Baptist. Young Sam was dispatched to the New Mexico Military Institute, perhaps to reform a burgeoning arrogance. Then he went to Texas Western College in El Paso. He is said to have supported Barry Goldwater for President in 1964.

It was not until Donaldson migrated to the city, and became part of its journalistic culture, that his values altered dramatically. "When I came east to New York and Washington, he says, "my view of the world and politics changed. When I went back home, I had violent political arguments with my mother and friends. I had left the fold. I was reading the New York Times, the Washington Post, and other so-called Communist-inspired newspapers."

Donaldson does not seem to view those shifts as ideological, but rather as signs of maturation. "I didn't think everyone who was out of work was really responsible for not having a job; I didn't feel someone who couldn't read and write English could be faulted for not finding a position as a computer programmer." These would be examples of intellectual growth. If indeed young Donaldson or his parents even thought otherwise. But from Donaldson's caricature of his origins, one gets the sense that this same trivializing instinct is what causes him to ridicule strategic defense or supply-side economics: he regards them as notions straight out of the bovine world from which he was liberated.

Donaldson complains that "Under the Reagan Administration, reporters were invited [to White House dinners] but not their spouses. Why? Was the wife of General Motors chairman not invited? Oh no, she came. Was Gregory Perk's wife not invited? No, no, she came. The point was that press spouses were dispensable. The Reagans didn't really consider us on the same level as their Hollywood friends." This unusual outburst of class envy suggests how socially self-conscious Donaldson is, how eager he is to ascend the cultural ladder to greater heights of acceptance and accolade. Sam Donaldson definitely does not want to be thought of as a former disc jockey from El Paso. "A lot of people do not regard me as a serious man," he worries. Donaldson tries very hard to compensate for his background. The shape that the atonement seems to take is ideological liberalism.

BROKAW'S PARVENU POLITICS

Another country boy whose view of the world adapted to the liberal view as he entered the journalistic big leagues is Tom Brokaw of NBC News. In an April 1983 interview with Mother Jones, Brokaw chronicled what he saw as a process of acquiring sophistication. "I grew up in small towns on the praire," said Brokaw. Indeed his parents still live in Yankton, South Dakota. He was raised with discipline and stern values.

But then, after Brokaw joined NBC and moved to New York, he absorbed a new set of principles. For example, he came to see President Reagan's values, which used to be his own, as "pretty simplistic" and "I don't think they have much application to what's currently wrong." Brokaw spoke scornfully of Reagan's Reader's Digest-Norman Rockwell perception of the world. As for the President's political program, "I thought from the outset that his supply-side theory was just a disaster. I knew of no one who felt it was going to work." Mother Jones asked: what about those who say that El Salvador is moving toward democracy? "They're wrong. My job is to stay calm at the center and point out why they're wrong." Abortion? "It comes down to the question of whether a woman has a right to control her body." Capital punishment? "Barbarous."

Oddly, even as Brokaw boasts that he has outgrown the political values of the heartland, he feels abashed about admitting that he has taken up the material luxuries of the big city. About his stretch limousine, he comments, "I've got this goddamn problem with the car and driver. I've got to get to work, and that's the best way to do it. But I just don't use it the rest of the day." Brokaw seems to want to convey the impression that he would prefer to arrive at NBC headquarters in a tractor with hay sticking out all over it.

Here is how the Washington Journalism Review describes Brokaw today: "Socially adept, Brokaw not only says and does the right things, he knows the right people, counting may glamourous figures from the world of art, entertainment, sports, and politics among his intimate friends. In California, he ran with a rich, politically liberal crowd that sought out the company of prominent journalists. It is a fact that he has been playing tennis with Art Buchwald. It is a fact he taught a seminar at Yale. His life, his world, includes those poeple." This is what it means for a Midwestern hick to make good in the culture of journalism. "Saying the right things" is code, in this milieu, for promulgating the values of liberalism and progressivism.

Donaldson and Brokaw are fairly typical of network reporters, not in personal characteristics, obviously, but in the way they view their profession as somehow congruent with the liberal world view. It is very difficult for them to recognize the social and cultural forces that have shaped their work, not only their conclusions but also their assumptions.

They frequently talk as though they regard themselves as bold and lonely dissidents in the corridors of power; whereas in fact they wield the full authority of the Fourth Estate, and repeat the same lines of reasoning as scores of fellow practitioners of the trade. This may be regarded as the "herd of independent thinkers" syndrome that affected protesters in the 1960s, who considered themselves rugged individualists even as they did exactly what their professors told them.

The culture of TV journalism has been expertly described in a recent monograph, "TV News And The Dominant Culture," written by John Corry, TV critic for the *New York Times*, and published by the Media Institute in Washington. Corry maintains that an intellectual and artistic culture "rooted firmly in the political left" determines the criteria for what constitutes a good news story, sets the boundaries for what is acceptable, casts a negative odor around subjects and approaches to be shunned. "Television does not consciously have a liberal or left agenda," he writes, but "it does reflect a liberal to left point of view."

While facts and quotations are the substance of a news story, creating the impression of objectivity, Corry maintains that cultural predispositions inherited from the 1960s and 1970s give TV the "big picture . . . a starting point, an attitude, ordinates on which to box its moral compass." Thus good and evil are defined in the Manichean framework of the TV expose by a set of beliefs and assumptions which predate the event being covered and exercise a most unrecognized influence on the reporter.

"Issues and causes favored by conservatives are suspect, while probity clings to the other side," Corry writes. "Counterculture politics introduced the notion of victims, a category wide enough to include everyone exept middle-aged white males . . . At the same time, the causes of all the victims are joined" and TV news has taken on a redemptive mission to liberate all of them. Finally, television has accommodated itself to a "radical political vision" which acquiesces in the view that the United States is racist and imperialist and culpable for most of the woes and inequities of the Third World. Because of their culturual insecurity, TV journalists force themselves to "apply a benevolent neutrality to anti-democratic, anti-Western forces."

THE OBJECTIVITY SCAM

Several interviews I recently conducted with television journalists confirm Corry's thesis. Although most TV reporters swear by the canons of journalistic objectivity, in practice they acknowledge that this is an elusive, if not mythical, goal. Perhaps the most strenuous practitioner of objective journalism is Bettina Gregory of ABC News, who says she sometimes goes to the length of measuring the number of seconds she allows each side on the air, to make sure she is being unbiased. The question, though, is whether this methodology presents an accurate picture of events. Gregory covers health and safety issues. Presumably the viewing audience cannot be expected to get a clear picture of what is going on if faced merely with equally weighted charges and counter-charges. Rita Braver, who covers health for CBS News, points out how impractical Gregory's approach can be. "When I cover drugs, say the effect of PCP on kids," she says, "it would be absurd for me to look for a person who says PCP is good for kids." Braver admits she approaches her stories with an anti-drug bias, upsetting though it may be to the readership of *High Times* magazine.

Andrea Mitchell of NBC News is schizophrenic on the business of objectivity. "I approach my subject by not making any assumptions," she says, a procedure that is hard to imagine, let alone carry out. Mitchell acknowledges that "Objectivity can never be purely achieved because the very act of selecting a story and reporting it and editing it involves choices." Indeed it does, and a few minutes later, Mitchell indicates the direction in which her choices sometimes lean. "The economic achievements" of the last few years, she states, "are not the result of supply-side economics but of Paul Volcker. So I'm not giving Reagan credit." It is hard to see by what definition this is an objective point of view, but it could certainly be defended as a legitimate opinion if Mitchell's reports in 1982 blamed Volcker, not Reagan, for the recession. But in fact they did not.

A significant minority of TV reporters acknowledge the fragility of claims of pure objectivity. Bill Plante of CBS says TV news is a combination of journalism and entertainment, so naturally the needs of drama and emotion color the coverage. John McWethy of ABC says that in reporting "obviously a value-free context is impossible. I don't know what objectivity means. I don't even like the word 'balanced.' Balanced implies that if you give one minute to President Reagan, you also have to give one minute to Ted Kennedy and maybe even Lyndon LaRouche." Robert Bazell of NBC argues that "Objectivity is a fallacy. Journalism almost always is about a point of view. There are different opinions, but you don't have to give them equal weight." Bazell maintains, "Having a point of view and giving the other side's opinion are not mutually exclusive."

Another view comes from Ken Bode of NBC who maintains that the function of TV journalism is to .be interpretive, to make complex events comprehensible to the viewer in a short time. Bode doesn't view his mission to be objective: "My job is to make the dynamic of politics understandable to the viewer." Irving R. Levine of NBC says candidly, "The reporter has got to determine, ultimately, what is valid and what is not, whose arguments are most persuasive." Perhaps the most scathing attack on objectivity comes from Linda Ellerbee of NBC who writes in a recent book, "We report news, not truth . . . There is no such thing as objectivity. Any reporter who tells you he's objective is lying to you." These are some practical definitions of what TV journalists do, as opposed to what First Amendment lawyers and Press Club spokesmen say they do.

Oddly, reporters who most heatedly defend the doctrine of objectivity often turn out in practice to be most biased in their reporting. Perhaps the reason is that they are simply not aware of the presumptions and value judgments that go into their stories. Supposing all facts to be "objective," and all quotations to be "facts," they work their arithmetic formulae of objective journalism, convinced that because they quoted the other side—"President Reagan denies that he is callous and insensitive toward poor people"—they have been fair. By contrast, reporters who see the ambiguities and eclecticism inherent in their craft tend to be less sure of themselves, more inclined to sweep a wider range of viewpoints, to assure, if not objectivity, at least some sort of balance.

Two prominent television journalists have acknowledged the manner in which the journalistic culture promotes the liberal program and metamorphoses reporters into a liberal career mindset. "The news media in general are liberal," says Barbara Walters of ABC. "If you want to be a reporter, you are going to see poverty and misery, and you have to be involved in the human condition." In this we see several of the characteristics of TV reporters: hasty and false inference (I see poverty, therefore I am a liberal), arrogance (we're liberal, what the heck), and pseudo-profundity and cliche ("involved in the human condition"). Walter Cronkite, former CBS anchor, describes reporters as "certainly liberal, and possibly left of center as well. I think most newspapermen by definition have to be liberal."

BAD NEWS IS GOOD NEWS

How does this liberalism affect reporters as they cover stories? I asked Irving R. Levine of NBC News why his coverage during the economic recovery stressed those who were still out of work. "I have tried to bring a deep skepticism to the President's politics," Levine explains. "My reports on Reagan's economic program focused on their deficiencies and contradictions." Partly it is the nature of reporting to examine problem areas, Levine notes. But also, "It's a hell of a lot easier to get a story on the air when the unemployment rate is going up." So journalism, in order to be dramatic, must highlight the negative. As Levine succinctly puts it, "For producers and reporters, bad news is good news." This may be politically motivated, but it certainly has political implications.

Jeff Greenfield of ABC News argues that TV reporters do respond to a "zeitgeist" which shapes their assumptions and approaches to stories. But more often this operates in the direction of standard themes and reductionism, Greenfeld believes. Addressing conservative complaints about derisive labeling for strategic defense, he says, "The reason reporters call it Star Wars and not SDI is because they are simplistic, not because they are ideological." Certainly Greenfield is right that SDI is a somewhat dull and bureaucratic term.

But why, I asked, do reporters during political conventions repeatedly refer to "ultraconservatives" and the "extreme right" but never "ultraliberals" or the "extreme left"? Greenfield acknowledges that reporters operate on different frames of ideological reference than most people. He cites the case of Jesse Jackson, "really a Third World radical, but he was never identified in those terms."

While denying ideology as a primary motivating factor for TV reporters, Greenfield comments that "It is absolutely true that reporters covering Latin America in the early 1980s were still living in Vietnam." Some reporters, he says, "are still recovering from their shock that Reagan backed Duarte in El Salvador instead of "D'Aubuisson." One reason the right is sometimes mistreated, Greenfield says, is that "TV reporters are slow to change their perceptions." They used to regard conservatism as outside the parameters of legitimate debate. "Not long ago we felt the only respectable figure on the right was Bill Buckley." But increasingly, according to Greenfield, "We are getting to the point where a Walter Williams or a Charles Murray is a valid source. So in quoting people, TV reporters are going beyond the usual suspects."

One area where Greenfield finds a definite bias is in TV coverage of social issues. "The cosmopolitan nature of the network news makes it virtually impossible for the traditionalist point of view to be aired," he says. He gives the example of a Reagan proposal to inform parents when their minor children receive contraceptives. This was nastily dubbed the "squeal rule," Greenfield says. "I have a young daughter and I want to know if she is being fitted for a diaphragm. At least this should be a proper subject for a policy debate. But most TV reporters covered the controversy as though the only people who favored the so-called squeal rule were anti-sex theocrats."

Bill Plante of CBS News maintains that "There is an anti-authority bias in TV coverage that is very American. It can be viewed as ideological, I suppose." But when Plante discussed coverage of the 1983 recovery, it became apparent that more was at work than just a populist anti-establishmentarianism. "We were criticized for looking for isolated victims," Plante says. "But this is explained by our perception that the public expects government to perform certain functions, for example, the idea that no one should go hungry, or perhaps even that no one should want for medical care."

This, then, is what Plante means when he says, "News coverage is driven less by ideology than by a perception of what makes news." For TV reporters, it seems, the news is defined and shaped in ideological terms that they do not seem to recognize or acknowledge.

I asked Jim Miklaszewski of NBC News about his report aired shortly before the vote on contra funding, whose thesis was that the contras were "an ill-trained, ill-equipped, ragtag peasant army, losing the war." Contras "lack even the most basic combat skills, like the proper way to shoot a gun." And further, "Former Nicaraguan National Guardsmen lead the contra high command." Miklaszewski concluded, "After five years and $100 million in U.S. aid, the contras . . . have failed to win the support of most Nicaraguan people."

Anyone who saw the report would come away with the feeling: why are we helping people who are corrupt, bozos, and losers to boot? Perhaps Miklaszewski was right that the contrast are inadequate fighters, but shouldn't he have raised the question of whether it was lack of American funding and training that was the reason for this? Was it fair for him to assert, without qualification, that contra leaders were all former National Guardsmen from the Somoza regime? What evidence did Miklaszewski have that the contras were not supported by most Nicaraguans? I asked.

THOSE MYSTERIOUS SOURCES

Miklaszewski started off by taking refuge behind the curtains of journalistic etiquette. "I simply reported what my sources told me," he said. Presumably all factual errors or unsupported assertions were to be blamed on careless and untrustworthy sources; but if so, why did Miklaszewski choose to quote them? No, Miklaszewski didn't really know for himself how badly trained the contras were. "I'm not on the ground in Nicaragua." And contra support? "There is no visible support for the contras in Managua." But this is to be expected, surely, because the Sandinista regime identifies the contras as illegal bandits. Probably black families in South Africa are equally reluctant to voice open support for the banned African National Congress, I suggested.

H'm, Miklaszewski pondered that one. "You're taking one part of that story," he protested. "You're zeroing in on one aspect." He fell back on the earlier defense. "I'm told by my sources, like Peter Bell of

the Carnegie Endowment, that despite the state of the economy and the Sandinista system, the *contras* don't have much popular support." Miklaszewski did acknowledge that "the U.S. government had a strong hand in the return of democracy to El Salvador. That's a success story that hasn't been told."

I asked John McWethy of ABC News why the networks frequently describe South Africa as an evil empire, but cringe when the same term is used to characterize the Soviet Union. Presumably a uniform zest for negativism or drama, or an evenly anti-authority bias, would demand that equally stringent human rights standards be applied to both countries. McWethy firmly defended the double standard. Reagan's evil empire comment "was a gaffe because we are dealing with a country with a nuclear arsenal that can destroy us." By contrast, "You can call South Africa an evil empire with no really horrendous implications." By this logic, all the world's moral opprobrium should fall on some place like Suriname or Uganda. Is it fear, and not moral considerations, which dictates our human rights criticism of other countries? John McWethy was silent; he didn't really have an answer.

Shifting ground a little, I asked McWethy why coverage of turmoil in South Africa and Ethiopia was treated so differently by the network media. While in both cases the governments were criticized, it seemed that the South African criticism was systemic—the assumption being that apartheid had to go and the only question was when, not whether—while criticism of Ethiopia was never directly aimed at the structure of oppression, Communist collectivization. "You're comparing apples and oranges," McWethy protested. "Ethiopia is a two bit country nowhere as important as South Africa." Why not—because there are fewer whites there? "The focus of our coverage in Ethiopia was on the human tragedy of drought. The government was incidental to the story." By contrast, McWethy maintained, "South Africa purports to be a democracy, so we can judge it by those standards." He was quite agitated by now. "This strikes me as a very ideological line of questioning."

Faced with similar questions, Richard Threlkeld of ABC News argues, "The story in Ethiopia was our effort to get food to starving people. It was a starving people story. In South Africa the whole point seems to be a generation-old system of oppression." I pointed out that a moment earlier Threlkeld had insisted that journalists were apolitical and didn't make value judgments; here he was, advancing a quite controversial distinction which he claimed was virtually a network consensus in covering Ethiopia and South Africa. Threlkeld tried to justify the double standard in different terms. "All civilized nations condemn apartheid. Journalism, as a mirror, reflects that." Now that raises a whole new set of questions—which nations are civilized? Which civilized nations condemn apartheid but not Communism? Is the regnant public passion of the civilized world the moral standard by which news should operate?

One very intriguing thing that both McWethy and Threlkeld admit is that television news judges free countries and totalitarian countries by different standards. When I asked McWethy about TV coverage of the Nicaraguan and Philippine elections, and why there wasn't as enthusiastic a demonstration of fraud in the former case, he said, "It was clear that the Nicaraguan elections were a joke. But most reporters felt that was different. Nicaragua is a totalitarian country." McWethy concedes that "Sometimes reporters operate differently in totalitarian countries than in free countries."

Threlkeld says that "We can't see much behind the curtain of oppression in Communist countries and certain Third World countries. Syria, for example, won't let us take the pictures we want. That's why we report on Israel's abuses so much. Democratic countries are more vulnerable to being exposed by TV news." South Africa gets the worst coverage, Threlkeld says, because "South Africa calls itself a civilized and pluralistic society." But, I said, the Soviet constitution makes similar extravagant claims of freedom that are not met—why not assess it by that standard? "Marxist rhetoric makes claims of freedom. But nobody believes it." What if South Africa were to renounce the West and ally itself with the Soviet Union—would that guarantee it a better shake from the American TV media? Threlkeld was taken aback. "That shouldn't be an incentive for South Africa to go Communist," he said, sheepishly.

ACTIVISM AND VENTRILOQUISM

A conversation with Andrea Mitchell of NBC News revealed her as an acknowledged activist. Her family was "always absorbed in politics," she says, and she can remember her parents listening with shock to the McCarthy hearings. She entered TV journalism because "I felt it was a way to advance the issues I cared about." Norma Quarles of NBC says, "I like to cover stories that shed light on injustice, that bring about change." What kind of injustice? Quarles cites the example of President Reagan wanting to close down free boarding schools for American Indians. Shortly after Quarles' expose, she boasts, lawsuits were filed which forced the administration to keep the schools open.

Quarles complains about the mentality of the American people. "People don't seem to care. There's a positive mood in the country. There is an attitude that everything is fine and it's not." Quarles gives the example of low-income housing programs which are sorely needed, she says, but which the administration won't consider. Quarles observes that if she wants to make a point on the air, she sometimes uses ventriloquist tactics. "If I get the sense that things are boiling over, I can't really say it. I have to get somebody else to say it."

Reporters often seem to project their own opinions onto sources in order to get their point made one way or another. For example: Irving R. Levine on January 3, 1986, reported, "Increasingly even Republicans are saying that a tax increase is unavoidable because soon everything that can safely be cut will have been cut." This is the inevitability approach—the reporter presents his solution as the historically necessary one. Mark Phillips reported on CBS on November 21, 1985, "A key adviser to Gorbachev afterwards confided to me that the Soviet leader did not have a very high regard for President Reagan's intellect."

Many of the prejudices and stereotypes on which TV reporters operate are acknowledged and confirmed by Rebecca Chase of ABC News. A reporter of somewhat conservative temperament, Chase admits to exasperation with the way the three networks covered the issue of hunger during "Hands Across America." New York and Washington producers of the networks were almost in competition to find hungry people, Chase says. Operating on the stereotype that "hungry" means "black" and "Southern," this meant a lot of assignments for reporters based in Mississippi and Atlanta. One reporter was asked to scour the small towns of Mississippi to find hungry people; she travelled for days, sometimes through places where 80 to 90 percent of the people were on food stamps, but she couldn't find hungry people.

"Basically, the evidence shows that we have a food stamp program that works pretty well," Chase says. "But some people are convinced that there is a massive problem. So they put pressure on us reporters in the bureaus to find facts to confirm their theories. Often reporters are just lazy—they call up the local hunger coalition and they produce a hungry person to go on the air."

Many reporters instinctively give credibility to liberal sources. Chase cites the recent Harvard Task Force report on hunger, which identified 20 million hungry Americans. Following up on the study, Chase went to one of the towns identified in the study as worst off. "It was the part of Texas where Texas A&M is located," Chase says. "Of course students list low incomes, so the average income is very low. But those students aren't hungry. The real problem is with food stamp distribution, and it is in other parts of Texas that weren't mentioned in the study." Too often, reporters don't bother to do fact-checking when faced with claims that fit their cultural predispositions, Chase said. But let the administration make a claim that some place is better off than before, and there is frenzied effort to prove it factually wrong.

John Corry's thesis about a journalistic milieu shaping the ideological assumptions of most TV journalists is "absolutely right," according to Chase. "Most of my colleagues are not very political. They don't care to belong to groups. But the prevailing journalistic culture is liberal. You win awards for validating liberal theories. I know when I get environmental assignments, I feel pressure to find another Love Canal, show the evil chemical companies at work, find little girls who now have increased risks of leukemia. We're always searching for victims."

There is nothing wrong with journalism siding with the underdog, perhaps, but does it really do this? Chase gives the example of "reporters [who] won prizes for exposing the horrors of mental institutions, but do you see stories on the horrors of deinstitutionalization? Hardly. Why not? Because reporters feel, hey, that will make some people want to put those people back. And reporters don't want to encourage that feeling."

Another example: "We know that a lot of poverty in this country is due to out-of-wedlock pregnancies of single women. Yet lots of TV stories continue to link poverty to 'budget cutbacks.' First of all this is very inaccurate terminology—we're generally talking about cuts in the projected rated of growth, not real cuts. But even so, to presume that budget reductions are to blame for increased poverty is simply wrong. It reflects false and uncritical assumptions at work."

Will TV news change? It already is, slowly, reluctantly. Partly this is a result of media criticism, but mostly the change reflects the influence of the larger culture on the social enclave of TV journalism. Even in liberal circles, it is no longer fashionable to ridicule patriotism, tirade about the "fairness issue," or warn about imminent nuclear apocalypse. Contemporary liberalism is fashioning itself

in response to ideas legitimized by President Reagan's term in office. TV journalists are affected by that, and their coverage is beginning to show it.

HANDS IN THE COOKIE JAR

On September 12, 1985, Lisa Myers of NBC News reported on the strategic defense initiative. She noted that "hundreds" of physicists and engineers have refused to take part in research because "they view the project as ill conceived, dangerous, and a waste of scientific brain power." An M.I.T. scientist was introduced as "a physicist who worked on the Manhattan Project which developed the atomic bomb"; his long role in the disarmament movement was not mentioned. He was quoted calling SDI "destructive and nonfeasible." Reporter Myers observed that "the scientific resistance comes despite the fact that most universities are financially squeezed and hungry for research money." Then, having established the altruistic motives of the protesters, Myers acknowledged that "there are scientists who support Star Wars." But she did not say how many and implied they were "eager to do research," i.e. add to their coffers. One scientist was quoted saying that SDI would "force a new solution." On this note the report ended.

Maybe this is an objective story in the sense that it is a response to a news event, both sides are quoted, and the factual information is accurate. But it is not a balanced story, in that it attaches quite different weight and authority to each side, credits Star Wars opponents with scientific disinterest while questioning the motives of pro-SDI researchers, and applies harsh epithets to the feasibility of space defense while refuting them only with a weak comment about a new solution to deterrence. It is certainly possible to conceive of an equally objective report by Myers creating an entirely different impression on the viewer. This is a case in which the bias is quite nuanced. In that respect it is fairly typical.

WHAT INVASION?

In March 1986, the Reagan Administration charged that a large Nicaraguan force had invaded contra camps across the Nicaraguan border. Richard Schlesinger of CBS News reported on March 25 that "publicly the Hondurans say this incursion is a serious threat, but off the record they tend to discount the severity of it. One senior Honduran official tells me he plans to go to the beach today and his only worry is whether a cold front approaching Honduras will ruin his trip." Another unnamed source told Schlesinger that claims of an incursion were "a propaganda ploy, all part of President Reagan's attempt to sell the $100 million contra aid package." Two days later Mike O'Connor of CBS quoted "outside analysts" saying the size of the incursion was "deliberately exaggerated." Anchorman Dan Rather referred to the "still yet to be seen, supposedly large Nicaraguan invasion force operating in neighboring Honduras." The tone of disbelief bordering on ridicule was echoed on NBC by Jim Miklaszewski and Fred Francis.

It was almost a week later, on March 29, 1986, when the Washington Post, not one to take the administration's claims at face value, acknowledged that the Nicaraguan incursion was probably the largest attack on Honduran targets in four years of border incidents. The Post agreed with the government estimate of between 800 and 2,000 troops. Moreover, Nicaraguan president Daniel Ortega confirmed the incursion. Yet with the exception of Peter Collins of ABC News, none of the TV reporters who had raised the initial skepticism corrected the record.

The story of America's economic recovery is one that completely bypassed the three networks. A study by the Institute for Applied Economics found that even while the economy bounced back and 95 percent of the indicators were positive, TV news continued to act as though there was a recession, with 86 percent of stories sounding a negative alarm. ABC speculated that the unemployment drop was the result of many jobless Americans ending their search for work, CBS challenged the veracity of the statistics, and NBC explored the angle that while the statistics were good, we should not forget "pockets of poverty where recovery is still a dream," as Irving R. Levine dramatically stated it.

AQUINO'S ANTI-COMMUNISM

Covering the aftermath of the Philippine election on CBS, Bob Simon on February 25, 1986 remarked, "The worst enemy of Communist insurgents is a liberal. And Mrs. Aquino and the very bright people around her are declared liberals. The Communists have a much rougher time now with Mrs. Aquino in power." Now this surmise was plausible, but one could just as plausibly have raised questions about the new prime minister's resolve in fighting the insurgents. The resurgence of Communist military activity after the election suggests Simon was jumping to a premature conclusion.

Here is Peter Jennings on ABC World News Tonight, October 22, 1985. "The Reagan Administration has once again accused the Soviet Union of cheating on an arms control agreement," Jennings began, his tone clearly suggesting: there he goes again. "Four weeks before Mr. Reagan and Mr. Gorbachev meet at the summit in Geneva, the Secretary of Defense's accusation in Washington today does not do much to improve the atmosphere." Perhaps not. But so what? Is Peter Jennings implying that evidence of treaty violations should be concealed in order to lubricate changes for new agreements? It is really not clear. The ideology of TV news is often promulgated not explicity but through hint, nudge, smirk, and insinuation.

On April 15, 1986 Allen Pizzey of CBS reported on President Reagan's retaliatory raid on Libyan targets and concluded, "President Reagan may consider this a blow against terrorism . . . but it will almost certainly spark more, not less, acts against U.S. targets." Here is an opinionated conclusion that, at least to date, has not been borne out by the evidence.

"These are just a few examples of bias in TV news coverage. Special thanks to Brent Baker of the National Conservative Foundation for providing most of them.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

□ 1340

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, are we still in morning business?

The PRESIDING OFFICER. Yes; the Senate is still in morning business.

RECESS UNTIL 2:30 P.M.

Mr. DOLE. Mr. President, at the conclusion of morning business, I would hope that we would have some Members on the floor—Senators GRAMM, RUDMAN, HOLLINGS, one, all, or whatever, or a combination—to debate the Gramm-Rudman-Hollings amendment to the debt ceiling.

I think, as the minority leader pointed out correctly this morning, their amendments block consideration of other amendments until disposed of. There is a motion to recommit, but that has also been amended.

I also understand that there has been some agreement. I do not say agreement among all interested Senators, but some Senators, including Senators CHILES and DOMENICI, on ways to modify the original Gramm-Rudman-Hollings amendment.

So I urge my colleagues to come to the floor, modify their amendment, and debate the amendment so that we will be in a position to dispose of this amendment on tomorrow should we complete the TV in the Senate debate early in the afternoon. In fact, we can complete debate on the amendment and even have a voice vote if that is possible. I doubt that is possible.

But the point is we need to make some progress.

Mr. President, while we are attempting to round up the appropriate Members, I am going to suggest we have a recess. I ask unanimous consent that the Senate stand in recess until 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 1:43 p.m., the Senate recessed until 2:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. KASTEN).

□ 1430

ORDER OF BUSINESS

Mr. DIXON. Mr. President, what is the order of business?

The PRESIDING OFFICER. The Senate is in morning business.

Mr. DIXON. Mr. President, if I may take a few minutes of time, and I understand my distinguished friend from Minnesota would like some time, I think mine would involve perhaps 3 minutes or so.

Mr. DURENBERGER. Mr. President, that would be fine with me. I have probably 5 minutes. I am glad to wait until my colleague from Illinois has disposed of his.

Mr. DIXON. I thank very much my colleague from Minnesota.

FATHER LAWRENCE MARTIN JENCO—FREE AT LAST

Mr. DIXON. Mr. President, Father Lawrence Martin Jenco is free at last. I am deeply grateful to be able to utter those words after over 18 months of agonizing with his family and working for his release.

What is foremost in my mind, however, is the incredible faith that Father Martin's family maintained throughout this unbearable ordeal. His sisters and brothers, nieces and nephews never gave up hope, and their determination inspired all of us.

There is a message in all of this, of course. I tried to convey it in a videotape which was aired July 16 on Lebanese television. Much, much more can be accomplished through humanity than through hatred. It is very discouraging to hear from the Islamic Jihad, who are still holding Terry Anderson, David Jacobsen, and Thomas Sutherland and who claim to have murdered William Buckley, that the release of Father Martin is their last humanitarian gesture. Our joy is diminished by the continued captivity of these Americans as well as those of other nationalities who are being denied their freedom.

We are grateful for the assistance of Syrian President Hafaz Assad in gaining the release of Father Jenco.

Communication must continue. The families of the hostages have continued to speak to anyone who would listen, urging the release of their loved ones. It is these human, nonpolitical pleas that seem in some way to have reached the captors. While they voice deep hostility for our Government, we need to continue to urge their compassion for their prisoners who have no part in the political issues involved. These men are innocent victims in a larger struggle. Talk must continue, as the families have shown us, at every opportunity, in whatever forum, until all the captives are free again.

I am also deeply sorry that our friend and colleague, Congressman George O'Brien, did not live to share this joyous time with his constituents and friends, the Jenco family. George cared deeply about this matter, and worked diligently to see the hostages freed. Last week, during a regular meeting of the Illinois congressional delegation, we agreed to continue our efforts by writing to President Hafaz Assad, in George's memory. We also agreed, as a delegation, to speak on the floor of the Senate and House weekly regarding Father Jenco's release. Happily, we will not have to do this for Father Martin. However, none of us should rest until the other hostages are free. I know that the Jenco family will continue their tireless efforts, and we should follow their example.

Mr. President, may I just simply say in conclusion, and then I will yield to my friend from Minnesota: I know the Presiding Officer served with Congressman O'Brien in the House. He was a dear friend of mine. I served with him in State government. I knew him very well and loved him and his lovely wife Mary Lou.

Last Tuesday, Mr. President, Congressman O'Brien's funeral was held at St. Raymon's Catholic Church in Joliet. Even during that ceremony, the expression was again made by everyone there of Congressman O'Brien's concern for the release of Father Jenco. I just want to say that I know where he is looking down on us, Mr. President, that he is smiling and he is delighted that an old friend of his has been released largely, may I say, Mr. President, through the untiring efforts of Congressman George O'Brien.

I thank you, Mr. President, and I am delighted to yield to my distinguished friend from Minnesota.

LTV BANKRUPTCY FILING

Mr. DURENBERGER. Mr. President, today I am introducing a joint resolution which addresses the financial plight that is faced by the retirees of the LTV Corp., of approximately 125,000 middle Americans of whom 63,000 are in the steel part of the LTV business, who are retirees of that company and who are presently facing some severe hardships because of the result of the company's efforts to maintain their business for the future and for the future employment of the retirees' former colleagues who are still active employees of that company.

As all of my colleagues know, less than 2 weeks ago, LTV, which is the Nation's second largest steel producer, filed a chapter 11 bankuptcy petition. LTV's decision is a shocking blow to our Nation's steel industry and is especially devastating on the company's retirees.

On Friday of last week, I joined my distinguished colleagues from Ohio and Pennsylvania in sponsoring an amendment directing LTV to continue to pay all medical and life insurance benefits to retirees of the corporation. However, under the terms of the amendment we introduced last week, the bankruptcy court maintains jurisdiction and can use that jurisdiction to order LTV to stop making such payments to the retirees, who are creditors in effect of the corporation. If the bankruptcy court would do that, it would leave all of the LTV retirees in a position they might have no health insurance.

I understand that LTV has been engaged in good faith negotiations with several health insurance companies in an effort to provide conversion health insurance policies that shift the premium costs from LTV to its retirees but would enable those retirees to have a health insurance plan.

Currently, the company pays approximately $100 per month for these policies and the company's retirees pay $60 a month. Even if LTV is successful in negotiating conversion policies, many of its pensioners will be hard pressed to come up with an additional $1,200 a year to cover their health insurance costs, particularly if the pensions of more than 50 percent held by employees of the LTV are altered in any way negative to the retirees involved.

So, I am offering this joint resolution.

Its purpose is to provide a temporary bridge for those retirees who have relied on LTV's earlier contractual commitments to continue making health insurance payments through retirement years.

This joint resolution directs the Senate and House conferees on the tax reform bill (H.R. 3838) to adopt a modified version of the so-called steel industry investment tax credit cashout. A month ago, we in the Senate approved this special cashout of the investment tax credit for the steel industry. At the time the amendment was debated, we agreed to an amendment requiring the industry to use the cashout funds to modernize steel and iron ore plant and equipment.

This joint resolution I am introducing today would modify the amendment we made on the floor and require that steel companies that file bankruptcy petitions and who are found not to be obligated to continue paying health insurance premiums for retirees, be required to use the money received from the investment tax credit cashout to continue making payments for retiree health insurance.

Mr. President, in the month since we agreed to the investment tax credit cashout amendment, events have overtaken the industry. Many experts believe that LTV's bankruptcy petitions could be the first in an industrywide move to scale back operations. Just this morning, the New York Times began a series of articles on the "humbling" of steel, entitled "LTV Failure Stirs Questions on Survival of Steel Industry."

I believe that a more efficient domestic steel industry will indeed survive these troubled times. However, during this difficult time of reorganization and retrenchment, I believe it is unfair to ask those suffering the greatest hardships—the elderly retired workers—to suffer the loss of their promised health insurance benefits in order to pay for the managerial mistakes of the past.

This joint resolution channels investment tax credit cashout funds into a special reserve in the case of any steel company that files for bankruptcy this year, or in the future. It provides that such funds be used exclu-

sively to continue making health insurance payments for retirees.

At the same time, it recognizes that some of these funds may not be made available to the companies in time to continuing making health insurance payments. So this joint resolution directs the States to make interim payments to the retirees until such time as the companies receive their investment tax credit reimbursements.

At that time, the States would have to be reimbursed out of such funds received by the companies involved.

Mr. President, this is a small step at bridging the problem faced by many retirees in declining industries across this country. As an interim measure, it provides immediate relief to those in desperate need, from a source that we trust will be readily available as soon as the tax conference is completed. It also gives Congress the time to reexamine our national policy on health insurance for working people and the opportunity to consider what type of legislation may be necessary to deal with this continuing problem.

Mr. President, for the purpose of placing the joint resolution which I just introduced before the Senate, I ask for the first reading of the joint resolution which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 380) directing the conferees on the act entitled the "Tax Reform Act of 1986" (H.R. 3838) to require that any amount refunded under section 212 of the Tax Reform Act of 1986 to steel companies filing bankruptcy petitions in 1986 or thereafter be dedicated for the continuation of company-paid health insurance costs for employees and retired employees.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 380

Whereas the steel industry of the United States has endured a series of financial losses in recent years and is continuing to endure significant financial deterioration;

Whereas employment in the steel industry has dropped from 512,000 in 1974 to less than 190,000 in 1986;

Whereas active employees and former employees in the steel industry continue to face an uncertain economic future and the loss of negotiated wage and fringe benefits;

Whereas the Congress has recognized the unique financial problems facing the steel industry and has voted with respect to the Tax Reform Act of 1986 (H.R. 3838) to allow the industry to carry back unused investment tax credits for 15 years;

Whereas the Nation's second largest steel company has recently filed a chapter 11 bankruptcy petition and there is a threat that other members of the industry may also file bankruptcy petitions;

Whereas active and former employees of steel companies that have filed chapter 11 bankruptcy petitions or may in the future file bankruptcy petitions are in danger of losing company-provided health insurance;

Whereas many of the active and former employees of such steel companies do not and will not have the financial resources to acquire health insurance to replace company-provided health insurance; and

Whereas health insurance coverage for active and former workers of such steel companies is a vital necessity that could affect the physical and psychological health of the affected individuals: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the sense of the Congress—

(1) that the conferees on the bill entitled the "Tax Reform Act of 1986" (H.R. 3838) agree to amend section 212 of the bill to provide that any amount refunded to a steel company that has filed a bankruptcy petition in 1986 or following enactment of such bill, and which is not required, or is found not to be required to continue making health insurance payments to its active or retired employees, including employees and retired employees of subsidiaries of a bankrupt, including employees and retired employees of Republic Reserve Inc., be dedicated exclusively for the continuation of those company-paid health insurance costs in effect prior to the filing of the bankruptcy petition, and that the dedication of such refunds for such insurance costs cannot be overridden by the determination of the trustee in bankruptcy or any court of competent jurisdiction; and

(2) that the dedication of refunds referred to in paragraph (1) is contingent on the action of the States within which affected workers reside to provide sufficient funds for the affected workers to continue to obtain health insurance sufficiently equivalent to that provided by the company prior to the filing of the bankruptcy petition until such time as the amount provided for in section 212 is refunded by the Federal Government, and that such funds provided by the States will be reimbursed from the amount refunded to the company from the Federal Government.

ORDER OF PROCEDURE

RECONCILIATION

Mr. DOLE. Mr. President, first, let me correct a statement made earlier, I guess a couple of times, where I indicated, to the best of my knowledge, that Senator DOMENICI and Senator CHILES had signed off on, or at least sort of agreed to, a modification. I understand that is not correct insofar as Senator CHILES is concerned. He has not yet agreed to anything. So the RECORD should indicate that, and I apologize for giving less than accurate information.

GRAMM-RUDMAN

I would also indicate that we are not going to be able to do much today, because the modification to the Gramm-Rudman amendment has not been agreed to by some of the key players. They are working on it this afternoon.

I am advised that it would not be profitable, I guess would be the right word, to take up TV in the Senate, since we have an agreement to take it up tomorrow. So I do not see much reason to stay around here very long, unless somebody has additional morning business or unless somebody wants to make a statement. Then I would guess we will recess the Senate here very soon until tomorrow, and tomorrow, hopefully, will be a better day. Today has been a good day for some, but we have not accomplished a great deal, which may be a plus.

FORT HAYS STATE UNIVERSITY STRIVES FOR EXCELLENCE

Mr. DOLE. Mr. President, I would like to take a moment to offer my personal congratulations to Fort Hays State University in Hays, KS, for its continuing efforts to achieve excellence in education.

Recently, the Kansas Board of Regents selected Fort Hays State University to serve as the home of our State's summer honors academy. One hundred and fifty high school seniors, who demonstrate superior academic achievement, will be invited to spend their summer next year at Fort Hays, studying fields of special interest in preparation for their college studies.

Also, Fort Hays State University recently received national accreditation by the American Speech-Language-Hearing Association for its communications disorders program.

□ 1450

Accreditation is a measure of quality, and generally, schools have to make changes in their programs to be approved. But in this case, the association approved Fort Hays' program just the way the university designed it.

And today, I am pleased to announce that an exciting and unique program designed by Fort Hays State University—a college studies for the gifted program—is under consideration by the U.S. Department of Education for special funding.

More than 60 various proposals were submitted to the Department's national diffusion network: The only university program to be considered for funding is the Fort Hays program.

Fort Hays' College studies for the gifted program is a cooperative effort involving students, parents, school districts, and the university, which provides academic opportunities for the gifted precollege student.

Few of us probably know that gifted students—those blessed with superior intelligence and academic ability—find many frustrations in the normal educational experience. As many as one out of four gifted students drop out of high school because of their unique situation.

It is the hope of Fort Hays State University to replicate their program—offered throughout Kansas—on a nationwide basis, so that our gifted

youth reach their potential to become productive members of our society. Thus, young students ranging in age from 10 to 18 years of age, may undertake some types of college education, helping to maintain interest in fields of study more challenging to their ability.

At Fort Hays State University, the track record of this exceptional approach to education is an unqualified success. One hundred percent of the gifted students enrolled in the program have graduated from high school and entered college.

By the end of this summer, the Department of Education will make its final determination regarding funding of the program. I strongly support such funding, and am hopeful the Department of Education will give its approval. But win, lose, or draw, Fort Hays State University has made tremendous contributions in the field of education and has this Senator's support for its efforts.

I commend Dr. Gerald Tomanek, president of Fort Hays State University, for the leadership he is providing. In addition, I wish to thank Kansas State Representative Sandy Duncan for his work at the State level in support of the gifted students' program. There are, of course, many other individuals who deserve credit as well, and while it is not possible to name them all, they have our support and admiration.

I know the president of the Fort Hays State University very well and he does an outstanding job. I am certain there will be other outstanding programs that will come forth under his leadership.

□ 1500

GRAMM-RUDMAN MODIFICATION

Mr. EXON. Mr. President, I am back on the floor this Monday after several days last week, including Thursday and including Friday, and concern whether I would change my travel plans. As the Chair undoubtedly knows, and the Senate is fully aware, this Senator is anxious that we move ahead in an expeditious fashion on the matter before us, generally referred to as Gramm-Rudman II, which, of course, is an amendment to the President's request that once again we increase the debt ceiling of the United States to over $2 trillion, this time to approximately $2.3 trillion.

As the Chair knows, this Senator has offered an amendment that simply made a straightforward request that rather than attempting to go ahead with the fixup provision provided in Gramm-Rudman II, that the body use the fallback provision as was written into the original Gramm-Rudman proposal, which was placed therein as a fallback provision in case the Supreme Court did what the Supreme Court did. Of course, as we all know, that was when the Supreme Court knocked out the so-called sequestering or triggering mechanism whereby the head of the General Accounting Office, usually referred to as the Comptroller General, was directed in the original act to be the sequesterer, or to drop the guillotine in case the Congress did not move.

It has been this Senator's position that rather than getting ourselves back into that situation what we should do is simply use the fallback procedures that the authors of the original Gramm-Rudman proposal assured us would be there to make the bill operative. I say it is there. That part was not knocked out by the Supreme Court. All recognize and realize that if it was workable in the original instance, which most assume it was, it would be workable today. Of course, I refer to the fallback provision.

This Senator offered last week an amendment to have the Senate vote up or down on that measure as a prelude to whether we should get ourselves into a new possible legal quagmire with regard to attempting to fix up the objections, the serious objections, that the Supreme Court had basically with regard to the separation of powers issue.

As the Chair knows, on two occasions when this Senator from Nebraska attempted to offer that clarifying amendment to get a sense of the Senate as to whether we should proceed along the lines that some Members of the Senate are proceeding and have now locked us into a delaying situation, in both instances when the Senator from Nebraska tried to offer that amendment and called for an up-or-down vote, he was blocked by parliamentary procedures.

On Friday last, we were back to the situation where this Senator was successful in offering the amendment once again, but then an amendment in the first degree and an amendment in the second degree were once again offered by the main proponents of Gramm-Rudman-Hollings, and we are back in the same position we were in before, accomplishing nothing but preventing an up-or-down vote on the amendment of the Senator from Nebraska.

As I understand it, that is still the situation that we are in now. No amendment could be voted on under the present parliamentary situation. Until that is broken or until someone gives, that is the position we are in now, and any amendment that would be offered at this time would be blocked from a yea or nay vote. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

(Mr. MATTINGLY assumed the chair.)

Mr. EXON. Mr. President, that brings me back to the same message that I made on the floor time and time again last week, and I am here repeating it again today.

Mr. President, my good friends from Texas, New Hampshire, and South Carolina have asked the Congress to investigate the unprecedented powers in the Office of Management and Budget in an effort, to use their words, to repair the Emergency Deficit Control Act, otherwise known as the Gramm-Rudman-Hollings law.

Without benefit of a committee report or recommendation, the Senate is again being asked to rush to judgment on a matter of the gravest dimensions.

Incidentally, once again, as was the case last year, this latest leap into the unknown, devoid of hearings or due consideration, is tied again to the latest Presidential request to further increase the debt ceiling limit; this time, as I have just said, to $2.3 trillion.

I urge my colleagues to reserve judgment on the various Gramm-Rudman-Hollings fixes. There is no need to repair the Emergency Deficit Control Act. The anticipation of an unfavorable Supreme Court decision was well known at the time this act passed. The Congress in its wisdom included a fallback mechanism which gave the Congress the ability to vote formal spending reductions in an expedited manner, should that happen.

The Congress successfully used the fallback mechanism on Thursday, July 17, of this year. There were no attempts to delay. No crying and gnashing of teeth. The Congress had a job to do and the Congress did it, Mr. President.

I have offered an amendment to the debts ceiling bill which expresses the sense of the Senate that the Congress should utilize the existing fallback provision and vote on specific measures to reduce the deficit.

This is a curious line of debate that is developing, that if we do not shake up the Government, throw the budget keys to the Office of Management and Budget, that we are against deficit reduction. I would say that the evidence is quite clear, Mr. President, to the contrary. No agency of the Federal Government has a worse record for fiscal responsibility than OMB, except, perhaps, the Department of Defense. The latest Director of OMB made his fortune revealing how he misled the President, the Congress, and the American people on the magnitude of the deficit and the health of the economy.

Of course, Mr. President, I am referring to the now famous named book called "The Triumph of Politics, Why the Reagan Revolution Failed," by

former OMB Director David A. Stockman.

I do not believe it is particularly important, Mr. President, that we cite personalities, except to make it clear in the U.S. Senate, as we consider this matter, that we are not dealing with individuals; we are dealing here with policy.

Mr. David Stockman was the first Director of OMB under this administration.

□ 1510

He now has written a very detailed book that has been referred to earlier on the floor, saying how they tricked, how they fooled people, how they misled the Congress and the American people not only as to the size and scope of the Federal deficit and the continuing skyrocketing national debt, but in some manner, it may be a blueprint for the continuation of that in the future. Yet here goes the Congress of the United States, at least this half of that body, the U.S. Senate, supposedly the most deliberative body in the world, on a collision course to handing over to that agency responsibilities that I maintain, Mr. President, are under the direct authority and responsibility of the Congress of the United States; namely, the House of Representatives and the U.S. Senate, of course with the approval, the signature or veto, of the President of the United States.

Mr. President, it seems to me that is an extremely weak case that they are making, the case they are trying to make now—"they" being the proponents of Gramm-Rudman-Hollings and those who are trying a fixup job. They seem to ignore the fact that in addition to the objections this Senator just cited, there is the possibility that they will get themselves right back into the legal box that they quickly found themselves in after the bill was passed. We could find ourselves right back in dearly, Mr. President, with regard to any fixup provisions, at least the ones this Senator has heard of, could find ourselves right back before the U.S. Supreme Court again. And the Supreme Court might say again, you cannot do that.

Although the Supreme Court did not specifically address this, I think it is very clear that the Supreme Court was trying to send a message to the Congress of the United States as best they could that there is a division of powers under the Constitution and we either have to fish or we have to cut bait. We cannot have it both ways.

The current Director of OMB prepared a budget for the President which understated the deficit by $16 billion. This is the individual that we are going to settle this new responsibility on, unprecedented in the history of the Republic.

Reports also indicate that the current Director is prepared to utilize various accounting devices to play with the deficit figures to get the administration and Congress simply through the next election in November of this year. Last year, Congress was unwilling to turn the awesome sequestering authority over to the Office of Management and Budget. Even the district court and the U.S. Supreme Court recognized that fact in their recent opinion. Justice Burger quoted the district court decision in the Bowsher versus Synar case and noted that:

> The grant of authority to the Comptroller General was a carefully considered protection against what the House conceived to be the pro-executive bias of the OMB. It is doubtful that the automatic deficit reduction process would have passed without such protection. . . .

Mr. President, the Court was right. I remember vividly the debate of last fall and the repeated assurances that the General Accounting Office was nonpolitical and would act as a buffer to the policies of the Office of Management and Budget. I ask my colleagues, what has changed, that it would possibly consider making the move back to trusting OMB when it was clearly indicated last fall that we did not? Why do we now?

I referred earlier, Mr. President, to the fact that the Director before last of the OMB has written a multi-million-dollar book telling us how we were tricked and how we were fooled. As I just said, the present Director of OMB presented us a budget, through the President, that was obviously at least $16 billion, if not more, out of bounds.

Some Members think that you can tie the hands of OMB once you delegate the authority to them to sequester. Justice Burger further wrote in the Bowsher opinion that, quoting from the Court once again:

> The Constitution does not contemplate an active role for Congress in the supervision of officers charged with the execution of the laws it enacts.

I simply say that once we give away the power, any power, we have little opportunity to control the politics or policies of the Office of Management and Budget.

My good friends, the supporters of this Gramm-Rudman II proposal, speak of establishing a process which brings certainty to deficit reduction. It seems that the proponents of the son of Gramm-Rudman-Hollings are seeking the most uncertain path possible.

There is no guarantee that OMB can, through the suggested fix, cure the constitutional deficiencies of the automatic sequester provisions of the Emergency Deficit Control Act.

Before voting, each Member should consider that the Supreme Court has acted and has not told us in their decision to strike the automatic sequester provisions of Gramm-Rudman-Hollings. Chief Justice Burger's majority opinion almost exclusively dealt with the role of the General Accounting Office. It did not reach out with finality on the ability of Congress to delegate such a massive amount of its authority to another agency of the Federal Government.

In this case, Mr. President, I think we are further faulted in that we are trying this Gramm-Rudman II fix by delegating authority that I firmly believe is the responsibility of the Congress and the President over to some nameless, faceless, nonelected bureaucrat. I suspect that the Founding Fathers would have shuddered indeed if they ever thought that the Congress of the United States and the President of the United States—whoever they might be—would make such a move that I think is not only unprecedented but extremely unwise.

Mr. President, I quote again from the majority opinion of the Supreme Court in Bowsher versus Synar:

> Because we conclude that the Comptroller General, as an officer removable by Congress, may not exercise the powers conferred upon him by the act, we have no occasion for considering appellees' other challenges to the act, including their argument that the assignment of powers to the Comptroller General in section 251 violated the delegation doctrine.

Mr. President, the Chief Justice's opinion was stayed for 60 days, in the Court's words, "to permit Congress to implement the fallback provisions."

Let me repeat that: The Chief Justice's opinion that was interpreted for us, the decision of the U.S. Supreme Court, said, to quote again: "To permit Congress to implement the fallback provisions."

The Court did not say, "You can implement something else; you can have a fixup mechanism that is not spelled out in the original act."

They told us, Mr. President, that they are giving us 60 days to permit Congress to implement the fallback provision.

□ 1520

The question that this Senator continues to ask—and I hope that my colleagues will begin to ask themselves—is why do we not rely on that? Why do we not go ahead and use the fallback provision as it was clearly indicated that we would when the act passed. And now I think that is even more clear, since the Supreme Court has said you have a fixup mechanism already in the bill; we are going to give you 60 days to work it out.

The concurring opinion of Justice Stevens is even more explicit in noting that—

> If the legislative branch decides to act with conclusive effect it must do so through a process akin to that specified in the fallback provision—through enactment of both Houses and presentment to the President.

I am not an attorney, but it seems pretty obvious that the Supreme Court is sending the Congress a strong and a very clear signal. If the Congress constructs another device to shuffle its responsibility to another agency of the Government, I guarantee that the scheme will once again be challenged in court and uncertainty will once again be the watchword of deficit reduction.

Mr. President, if we are concerned, as most Members of this body seem to be, about the deficit continuing to remain out of control, why do we not have the courage to make the reductions that must be made, to meet the dictates of Gramm-Rudman, as difficult as that is going to be, and not run the risk of passing a bill that might find us before the Supreme Court once again? And if that happens, I suspect it is very likely that the 60 days which the Court gave us will run out before a decision is made.

What I am saying, Mr. President, is that if we are as concerned about the deficit reduction as pleas from this floor have indicated, then why do we not get to work on the problem? Why did we delay action all last week and again so far this week? Tomorrow is the earliest time, as I understand it, we could possibly have a resolution of this problem, if we have it then.

I urge my colleagues to reject efforts to further reorganize the budget process and the Federal Government just because it is desired by three or our more notable members of this body. A vote for or against granting the OMB sequestration power is not a vote for or against deficit spending. Rather, Mr. President, it is a vote for or against accepting responsibility which is rightfully that of the Congress and the President of the United States, elected officials who can, should be, and are held accountable by the public.

One Member told the Senate that the Gramm-Rudman-Hollings "automobile" has a flat tire. The Supreme Court did not give Gramm-Rudman-Hollings a flat tire; it simply said it needs a constitutional driver. I suggest that the Congress should drive the machine of deficit reduction, not a faceless, nonelected member of this or any future administration.

The discipline of Gramm-Rudman-Hollings survived the Supreme Court decision. That is clear. Left in place is a workable and proven device which gives the Congress the responsibility and ability to reduce the deficit. Let us leave well enough alone and muster the courage to reduce the deficit which is our responsibility. Let us not concoct another Frankenstein monster that could lead us back into court and further needless delay in doing our job.

ANDREW HAMPSTEN—BEST NEWCOMER IN TOUR DE FRANCE

Mr. ANDREWS. Mr. President, I rise today to recognize the achievements of a fellow North Dakotan, Andrew Hampsten of Grand Forks, who, this weekend, in his first Tour de France bicycle race, finished in fourth place and was named best newcomer in the race.

Fourth place in a race like the Tour de France is an outstanding achievement for any cyclist. It is all the more outstanding since this was Andy's first attempt in this tortuous race through the mountains and countryside of France.

Admittedly, Andy was not the biggest or strongest racer in the Tour de France, but his personal desire to succeed and his special mountain climbing skills, which have earned him the nickname "Mountain Goat" from fellow racers, brought him so close to the ultimate achievement in his very first attempt in the world's premier cycling event.

Andy's accomplishments stand as an inspiration and example for all of us. Cycle racing is both a team and an individual sport. Andy's efforts as a member of the La Vie Claire team helped make it possible for fellow American Greg LeMond and Frenchman Bernard Hinault to finish first and second in the Tour de France. His individual effort to persevere to the end is still more remarkable when one realizes that nearly half the racers that started the Tour de France were unable to finish the gruelling 23-day, 2,500-mile race.

The qualities of team player and individual achievement are qualities in which Americans take great pride. They are the qualities that Andy Hampsten has displayed for all the world to see. We, in North Dakota, are proud to claim Andy as one of our own.

AVIATION SAFETY

Mr. BYRD. Mr. President, on May 21, I spoke in the Senate about an incident which occurred on May 17, involving a U.S. Air DC-9, and an American Airlines 727 jet. The two planes had been cleared by a controller to take off at the same time from intersecting runways at Chicago's O'Hare Airport. The 224 people on board the two aircraft came frightfully close to death or injury in what could have been a catastrophic collision.

In response to my floor statement, I received a letter from FAA Administrator, Mr. Donald Engen, regarding my comments. His letter, dated June 3, conceded that the incident involved an "operational error" on the part of an air traffic controller. After making the concession, which in itself is cause for concern, Mr. Engen went on to say that "while news clips are eye catching, they frequently don't represent what actually occurs."

In addition, Mr. Engen suggested that "there appears to be a mixing of fact and near-fact in your statement and the clippings." Mr. Engen did not identify where my statement or the accompaying clippings contained "near facts." He said he would be "pleased to provide me with the facts." However, nowhere in his letter did he do so, and at no time since has he attempted to do so.

□ 1530

The mails are still running, Mr. President, although they are sometimes delayed. I would be happy to hear from Mr. Engen, if he wishes to clarify the facts, to state what the "near facts" were in both the clippings and in my letter.

Mr. President, in the Thursday, July 24, edition of the Washington Post, there is a story with the headline "U.S. May Limit Flights at Chicago Airport." According to the Post story, in this instance, the National Transportation Safety Board has been investigating the unusually high number of near collisions at Chicago's O'Hare Airport.

The Post story noted that this year there have been 14 such incidents. Only two of which have been publicized. The story pointed out that NTSB investigators "are so concerned that they are considering a formal recommendation to restrict flights at the world's busiest airport until more Federal Aviation Administration controllers become available."

The July 24 Post story also included a reported comment by FAA Administrator, Donald Engen, regarding the situation at O'Hare: "Chicago O'Hare is nothing more than a very busy airport * * * I'm not concerned that we have a big problem at O'Hare." Mr. President, we have heard such comments from Mr. Engen before.

With all due respects to Mr. Engen, I think that such a comment appears to be cavalier; and I must add that, while Mr. Engen may not be concerned that we have a big problem at O'Hare, I am sure that air travelers in and out of O'Hare should certainly be concerned.

I fear that the repetition of near-misses at O'Hare confirms the concerns reflected in my May 21 statement. Perhaps the repetition of events such as those addressed in the Post article a few days ago also explains why Mr. Engen has not yet presented to me or, so far as I am aware, to any others in Congress the facts that would dispel our concerns.

Mr. President, the more recent Post story clearly indicated that, although Mr. Engen may not be concerned, the NTSB is concerned about the situation at O'Hare Airport. If the story is accu-

rate, the NTSB is considering a recommendation to restrict flights. This is drastic action, but it is an indication, clearly, of the level of the NTSB's concern about the issue of aviation safety. The NTSB is to be commended for its efforts on behalf of aviation safety.

In that regard, I hope that the Senate will soon confirm the nomination of Mr. James Burnett to serve again as the Chairman of the National Transportation Safety Board. Under his leadership, the NTSB has been at the forefront of safety issues, and he has strongly indicated his deep concern about aviation safety. I have every reason to believe that that concern will continue to be a most effective advocate of aviation safety, which is a matter that concerns all Americans who fly.

Mr. President, I ask unanimous consent to have printed in the RECORD the July 24 Washington Post article; Mr. Engen's May 30 letter addressed to me, to which I have referred; the Washington Post and New York Times articles which were the subject of my earlier statement on the floor; together with my earlier floor statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 24, 1986]

U.S. MAY LIMIT FLIGHTS AT CHICAGO AIRPORT

(By Douglas B. Feaver)

An unusually high number of near collisions at Chicago's O'Hare International Airport has spurred a National Transportation Safety Board investigation.

Board specialists, who recently returned from O'Hare, are so concerned that they are considering a formal recommendation to restrict flights at the world's busiest airport until more Federal Aviation Administration controllers become available, sources said. So far this year, there have been 14 close calls at O'Hare, only two of which have been publicized. Most of the incidents involve controller errors, the sources said.

"There are just too many planes there right now," one source said. June traffic at O'Hare set a record and was 26 percent higher than in June 1985. The FAA has only 52 fully qualified air traffic controllers in the O'Hare tower, although the authorized strength is 94. In addition, several trainees have authority to direct airplanes in limited blocks of airspace before completing their instruction.

FAA Administrator Donald D. Engen said in an interview Tuesday:

"If anything, what's going on out there is that increased volume has increased the [controller] infractions, and that's probably a direct-line relationship . . . Chicago O'Hare is nothing more than a very busy airport. We're dealing with that. I'm not concerned that we have a big problem at O'Hare."

The problems at O'Hare come amid increasing concern on Capitol Hill that the FAA is not rebuilding the air traffic control system quickly enough after a controllers' strike five years ago.

Rep. Guy V. Molinari (R-N.Y.), who has been especially critical of the FAA, has significant support for rehiring some of the 11,400 controllers fired by President Reagan. The House will vote on that as an amendment to a transportation appropriations bill that could reach the floor today.

The sources said the 14 incidents, known in FAA jargon as "operational errors," are far more than usually occur in six-month periods at O'Hare or similarly busy airports, including those at New York, Los Angeles and Atlanta.

In the most recent unpublicized incident, a Western Airlines jet was directed to take off July 2 on a northwest runway, then turn west. A United Air Lines jet was directed to take off on a westbound runway and turn slightly north. Visibility was severely limited by fog and clouds.

The planes received their instructions from different controllers, who did not coordinate the takeoffs. As the jetliners headed toward each other, they were picked up on radar in the darkened room beneath the O'Hare tower and a computerized "conflict alert" warned a controller.

The controller really had to "pry em apart" with hastily radioed instructions, a source said. The official estimate was that the two planes were converging and came as close as a half mile horizontally and 400 feet vertically. FAA regulations require a minimum of three miles and 1,000 feet.

In another recent incident, United and Air Wisconsin jets came within a mile of each other after taking off.

In May, there were two near collisions on the runways at O'Hare, prompting the safety board to recommend that two coordinators be added to assist controllers. One was added.

FEDERAL AVIATION ADMINISTRATION,
Washington, DC, May 30, 1986.

Hon. ROBERT C. BYRD,
U.S. Senate,
Washington, DC.

DEAR SENATOR BYRD: I noted your interest in the operational error which occurred at Chicago O'Hare between two aircraft on takeoff, and the fact that you had placed in the Congressional Record several news clips. It is true that the FAA air traffic controller failed to keep the required separation in that incident. However, while news clips are eyecatching, they frequently don't represent what actually occurs.

There appears to be a mixing of fact and near-fact in your statement and the clippings. I would be pleased to provide you the details of what occurred at O'Hare and what is occurring nationwide in our continuing successful effort to provide the safest aviation system in the world.

Very briefly, the number of "near" accidents in aviation has historically been a function of air traffic volume. We have managed to reduce aviation accidents through strong FAA management and regulatory action. This is one of the strengths of the FAA. From my viewpoint—working daily with every aviation incident that occurs in the United States—there has been an increase in aviation safety, not a decrease.

I know of your interest in this matter and would be pleased to provide you with the facts. We have a good story to tell. I am providing Senator Kassebaum a copy of this letter

Sincerely,

DONALD D. ENGEN,
Administrator.

NEAR COLLISION AT CHICAGO O'HARE AIRPORT

Mr. BYRD. Mr. President, this past Saturday, May 17, a USAIR DC-9 and an American Airlines Boeing 727 came very close to a disastrous collision at Chicago's O'Hare International Airport. The two airliners were carrying a total of 224 passengers and crew.

According to a report which appeared in Monday's New York Times, the USAIR DC-9, bound for Pittsburgh, was taking off at the same time as the American Airlines 727, which was bound for Oklahoma City. The two airliners were on separate, but intersecting, runways. As the two aircraft were taking off, heading toward the intersection of the two runways, the USAIR pilot saw the American Airlines jet heading toward him on the other runway. He managed to pull his plane off the ground at slower than normal speed and avoided a collision—a collision which would have surely been disastrous.

According to the FAA, there were a total of 420 operational errors reported at airport air traffic control towers in 1985.

The incident has been declared an "operational error" by the FAA, although some sources quoted in the Times story characterized it as a "very close call." This most recent "operational error" is attributed to an air traffic controller who failed to ensure that the two aircraft were in compliance with FAA rules governing the safe separation of aircraft.

In a report on the incident at Chicago's O'Hare in Monday's Washington Post, the air traffic controller to whom the error has been attributed "had his hands full" rerouting other traffic because of rain and fog when the incident occurred.

Mr. President, this is but the latest in a number of similar incidents in which commercial passenger aircraft narrowly have averted a disastrous encounter. In the past 2 years, according to a recent NTSB report of the results of its investigation of 26 such incidents, "the number of near-collision ground incidents has increased significantly." Unfortunately, the NTSB points out, the magnitude of this problem is difficult to determine because of incomplete reporting and lack of FAA followup investigations.

The NTSB report notes that the FAA has taken steps to halt such incidents, and that those measures may prove effective. However, the NTSB warns that many of the FAA's efforts may be "questionable unless some of the basic ATC [air traffic control] problems involving adequacy of controller training, coordination in the tower, and supervision are resolved. "Until these problems are adequately addressed," the NTSB warns, "controllers will continue to forget aircraft, there will be continued breakdowns in coordination in the tower, and supervisors will not be free to monitor performance of controllers or assist controllers."

Mr. President, this latest incident at O'Hare Airport is a grim reminder that despite the assurances of some, aviation safety is confronted by serious problems which must be addressed if the Nation is to avoid a repeat of 1985—the worst year since 1977 for U.S. air carrier operations in terms of the number of fatalities.

I have introduced legislation, S. 2417, the Aviation Safety Commission Act, as a first step in addressing some of these problems. I was gratified that the distinguished chairman of the Aviation Subcommittee of the Senate Committee on Commerce, Science, and Transportation, Senator KASSEBAUM,

asked to be added as a cosponsor of this legislation, and that she announced she would schedule aviation safety hearings in her subcommittee in July.

I urge my colleagues in the Senate to join as cosponsors of this legislation, which was offered by me on behalf of Senators HOLLINGS, FORD, ROCKEFELLER, and others in a bipartisan effort to begin the enormous task of addressing the many difficult issues associated with aviation safety. Senators on both sides of the aisle, including Senator MARK ANDREWS and others, are joining as cosponsors, have already joined, or are contemplating joining. I shall work with my colleagues to ensure that the Senate will act expeditiously to enact this important legislation before we adjourn for the August recess.

Mr. President, I ask unanimous consent that articles from the New York Times, and the Washington Post be printed in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

[From the New York Times, May 1, 1986]

U.S. BOARD STUDIES CHICAGO AIRLINER INCIDENT

(By Richard Witkin)

The National Transportation Safety Board said yesterday that it was investigating the report of a near-collision of two airliners taking off on intersecting runways in Chicago Saturday.

The pilot of one plane, a USAIR DC-9, pulled his craft off the ground prematurely, at slower than normal speed, to avoid hitting the other plane, an American Airlines Boeing 727, Government and airlines spokesmen said.

It was not immediately clear how high the DC-9 was when it crossed the path of the 727, which was apparently still on the ground. But several sources termed the incident a "very close call."

The two planes were carrying a total of 212 passengers and 12 crew members.

"OPERATIONAL ERROR," F.A.A. SAYS

Morton Edelstein, spokesman for the Federal Aviation Administration in Chicago, said the incident had been declared an "operational error" by officials in the tower at O'Hare International Airport. This was implicit acknowledgement that a mistake had been made by one or more air-traffic controllers in allowing two airliners to be given takeoff clearances that failed to insure compliance with rules on safe separation.

The incident occurred as critics in Congress, other agencies and the private sector were questioning the adequacy of F.A.A. supervision of air safety, not only in the area of air-traffic control but also in aircraft maintenance and security against terrorism.

Last week, the safety board voiced new concerns about the kind of near-collision that happened Saturday in Chicago, and expanded on earlier recommendations for remedial measures by the aviation agency.

The report was based on a 10-month study of the 26 most serious such incidents last year. Among other things, the report called for creation of a special team to develop memory aids for controllers, and improvement in airport "signs, markings and procedures."

The safety board inquiry will seek to determine why conflicting instructions might have been given to the two crews, and whether tower supervisors should have caught any errors.

A board spokesman, William Bush, said an investigator in Chicago had taken steps to impound tapes of tower-to-cockpit conversations.

The F.A.A. said the controller who had handled both planes had been relieved of his duties, which is routine in significant operating errors.

Mr. Edelstein said that the normal complement of controllers was on duty at the time, just after 10 A.M. in Chicago. He said, too, that the clearances had been given about 15 seconds apart and that the controller had been assigned the extra responsibility of radioing revised routings to some places because of bad weather.

THE RUNWAYS INTERSECTED

This is what is known about the incident from official sources:

The twin-jet DC-9, headed for Pittsburgh with 110 passengers and a crew of five, was taking off on Runway 41, the most westerly of three Chicago runways that are headed 40 degrees to the northeast.

The three-engine American 727, with 102 passengers and a crew of seven, bound for Oklahoma City, took off on Runway 32R, the most easterly of three runways headed 320 degrees to the northwest.

The intersection is halfway down the two runways. Use of intersecting instead of parallel runways is routine, officials said, and depends on such factors as traffic density, weather, noise, rules, and landing patterns.

The USAir co-pilot saw the other plane heading toward his from the right, and his DC-9 was hauled into the air at a speed below normal. The USAir crew waited until they arrived in Pittsburgh to tell the F.A.A. what had happened. The American crew learned of the near-collision only after reaching Oklahoma City.

[From the Washington Post, May 19, 1986]

AIR CONTROLLER "HAD HANDS FULL"

CHICAGO.—An air traffic controller overseeing takeoffs of two jets that nearly collided at O'Hare International Airport Saturday "had his hands full" rerouting other traffic because of rain and fog when the incident occurred, authorities said.

A USAir jet carrying 110 passengers had to make a sudden, early takeoff to avoid an airliner that crossed its path on a runway.

"We don't know if the controller cleared them at the wrong time, or if one of the pilots waited on the runway too long after he was cleared," Federal Aviation Administration spokesman Mort Edelstein said.

Mr. EXON. Mr. President, the Senator from Nebraska will return to the lively debate that is taking place on the floor of the Senate with regard to Gramm-Rudman-Hollings II in a moment.

We have had some intervening business which is important—that announcement by the Senator from North Dakota about the significant achievement of one of his constituents over the weekend and the tremendously important matter just brought up by my friend and colleague, our distinguished minority leader.

The minority leader knows that I serve on the Commerce Committee, the committee of jurisdiction, and I am the ranking minority member on the Aviation Subcommittee. I thank him not only for his timely remarks this afternoon but also for introducing a tremendously significant piece of legislation, backed up by expert testimony that the Senator from West Virginia gave to the Subcommittee on Aviation last week.

This Senator, within the hour, returned to Washington, DC, on a flight through O'Hare Airport. I went home later than anticipated Friday evening, through O'Hare International Airport; and I think I share the concerns of the Senator from West Virginia and others who gave significant testimony last week that Congress has some responsibilities in this air safety area.

No one is predicting that something is about to happen, but I think there is a general feeling of "uneasiness," for want of another word, in the fact that we are not certain that the proper Federal agencies—all of them—are discharging their duties as we want them to.

Therefore, the Commerce Committee is giving serious consideration to the legislation offered to our committee by the Senator from West Virginia, and I thank him for that. I also thank him for his most pertinent and timely remarks.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Nebraska for his comments anent aviation safety, especially with reference to the legislation I have introduced, which would create a Presidential Commission to study the organization, or reorganization, of the Federal Aviation Administration and would also determine whether or not that agency is actually requesting enough and receiving enough financial resources to carry out its mandates under the legislation that created the FAA.

The Commission would also report back on the advisability of having the Federal Aviation Administration serve as an independent organization, the duties of which would be only with respect to aviation safety.

Under the law which now governs the FAA, that administration wears two hats. It must promote civil aviation, and at the same time it must promote aviation safety. Sometimes, I am constrained to think that perhaps wearing these two hats, occasionally may put the FAA into a difficult position, in that the one requirement or the one duty may be in contradiction to the other.

□ 1540

The Commission would be composed of seven individuals appointed by the President. The President would name the Chairman. This would be a blue ribbon commission, indeed. It would report back within 1 year to the President and to Congress and give its recommendations.

I think that the time has come for an objective, indepth, probing investigation or study of the FAA with rec-

ommendations back to the President and Congress.

The safety of air passengers is too important to avoid, in my judgment, a close look at this agency now after these years.

I certainly do not speak with any disrespect toward the agency or the Administrator. I think that Mrs. Dole, the Secretary of the Department of Transportation, is one of the most able Secretaries that I have seen of any Department since I have been in Washington. I know that Mrs. Dole has certainly inaugurated various steps that are calculated to promote safety of air travel in this country, and I am sure that the FAA is also trying to do a better job in enforcing safety regulations and requirements.

But that is not to say that the agency could not stand some close scrutiny, and in view of the precipitous and tremendous increase in the number of airlines, major and commuter, and the number of aircraft that are flying in this country following the deregulation of the airlines, I think it is a very timely and needful action that is called for by the legislation.

It is supported by the able chairman of the Aviation Subcommittee of the Commerce Committee in the Senate, Senator KASSEBAUM. Also, it is cosponsored by the equally able ranking minority member of that Aviation Subcommittee, Mr. EXON, the distinguished Senator from Nebraska.

I appeared before the subcommittee recently and both Senator KASSEBAUM and Senator EXON and other Senators on that subcommittee showed their enthusiastic interest in the legislation, their great concern about the need for an objective study such as that proposed.

I thank Mr. EXON for his support of that legislation and cosponsorship of it. He is a powerful Senator. He is in a very strategic position anent that legislation. His expressed concerns are certainly equal to mine. I feel better, having introduced the legislation, to know that it has his support, and I know that subcommittee will carefully consider it and report it, I believe, to the full committee soon, hopefully, and I hope that the full Senate and the other body will shortly act favorably on the legislation and then the President may then proceed to appoint the Commission.

Again, I thank the distinguished Senator from Nebraska and also compliment him on his efforts to get action on the debt limit bill.

With respect to Gramm-Rudman, the amendments that are before the Senate at this time certainly are roadblocks to any other amendments. Until such time as they can be set-aside, together with the Gramm-Rudman amendments to the motion to recommit and report back with instructions that was offered by the distinguished Senator from Nebaska, until those roadblocks can be set-aside either by unanimous consent or by action thereon, no one can offer any other amendment to that measure.

We spent a good many hours last week, some days—one or more certainly—with those measures before the Senate.

The principal parties who are trying to work out some legislative modifications to the Gramm-Rudman Act do not want those amendments set-aside. So, here we are, doing virtually little or nothing on the debt limit legislation.

Of course, I am not saying there is not some progress being made by those principles who are attempting to develop some modifications of the legislation. Certainly, there must be some progress, but insofar as the whole Senate is concerned, we are just sort of spinning our wheels.

I thank the Senator for his consistent efforts to press ahead and, hopefully, before many days he may be more successful.

Mr. President, I yield the floor.

Mr. EXON. Mr. President, I thank the minority leader.

GRAMM-RUDMAN MODIFICATION

Mr. EXON. I wonder if anyone on the Senate floor is in a position to advise me as to what the plans are for continuation of the Gramm-Rudman-Hollings debacle that we find ourselves in now from a parliamentary situation.

I believe, and I ask the Chair if this is true, that on tomorrow, we will be setting aside by previous agreement the matter before us to go to another matter, that is on Tuesday; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. EXON. Could the Chair advise the Senator from Nebraska, what hour do we go on this other matter, what is the other matter that we have agreed to take up in lieu of the Gramm-Rudman issue, and is there a time agreement on that particular measure?

The PRESIDING OFFICER. One hour after the Senate convenes and there is no time limit, 12 hours of debate.

Mr. EXON. Do I understand the Chair that 1 hour after we come in on Tuesday, we will go to this other matter and then there is a limit of 12 hours?

The PRESIDING OFFICER. The Senator is correct.

Mr. EXON. I thank the Chair.

It seems to me that makes it pretty clear that we are not going to get anything done on Gramm-Rudman today because of the blocking action. We are not going to get anything done on Gramm-Rudman-Hollings II, whatever it is called, sometime tomorrow. The delaying actions continue.

I would simply say once again, Mr. President, that as I understand it, these legal scholars of ours are off the floor somewhere in the room negotiating or attempting to negotiate some kind of language that would collect enough votes in the U.S. Senate to pass this newest concoction that is known as Gramm-Rudman-Hollings II.

As I understand it, what they are trying to do since they do not trust OMB, they are trying to put some fencing language of some kind around the bill that is passed, something that says and directs OMB that if this bill passes, they will treat such and such and such a fashion, with regard to arriving at the automatic sequestered cuts if indeed that responsibility would eventually fall to OMB under their latest triggering proposals.

If that is the case, Mr. President, and I believe that is what the delay is all about, last Thursday, a key member of Gramm-Rudman-Hollings' latest proposal indicated to this Senator that he thought probably yet on Thursday night and within the next hour and a half or so, that language would be agreed to. As I understood it, and I have not been privy to what their discussions are, but I understand that indeed the chairman of the Budget Committee and the ranking minority member thereof are involved in this process.

As I undertstand it, they are trying to come up with some kind of language that would keep a rein on, or fence off, some things that OMB could and could not do with regard to the sequester order.

That concerns me very much. It should concern every Member of this body and every person in the United States if they are seriously concerned about getting on with the business of reducing the Federal deficit before we leave here again August 15 next and then come back for a fairly brief session sometime after Labor Day.

I warn once again, Mr. President, something that I think is being essentially ignored in this body and to a large extent by the press. If they go ahead and fashion some kind of a fence or a lasso that they are going to throw over certain parts of the budget that Congress would have the right to jerk back if OMB decides to sequester or cut that part of the budget, then I would suggest that those legal scholars take a very close look at page 7 of the Supreme Court decision, Bowsher versus Synar, which I quote again that says, "The Constitution does not contemplate an active role for Congress in the supervision of officers charged with the execution of the laws that it"—it being Congress—"enacts."

Mr. President, I simply want to warn again and again and again, many Members with the best of intentions, it seems to me, are going down that slippery slope once again of allowing this whole important deficit matter to slide once again and be held up by a possible action in the Supreme Court. And I am very fearful that if they do what they are contemplating on doing, and I guess that is one of the reasons that it has taken as long as it has to try and work something out, maybe the word is getting through that they are fearful that they will botch up the mechanism once again. And botching up the mechanism is not necessary, as I have said over and over and over again, because if the original authors of Gramm-Rudman-Hollings were correct—and the Supreme Court has indicated that they were correct—in coming forth with a backup provision which the Court specifically referred to in its decision, then why do we not go on with that instead of once again risking whatever we have to do on the chance that this matter will be back in the courts once again?

□ 1550

And if that happens, I think there is a high probability, Mr. President, that we will be marking time, marking time, and marking time, when I think the people of the United States would expect that we get on with the business at hand, that of reducing the deficit.

I would cite, Mr. President, that all last week, we did only one signficant act here on the floor of the U.S. Senate—and it took a total of less than 2 hours of a whole week—and that was that we had the vote on the reconsideration of the Manion nomination and finally that confirmation. Now it does not seem to me like that is a week's work for the U.S. Senate. I do not necessarily blame the majority leader. I know that he is trying to get things moving.

I would simply say that, with all the matters that face us, some of which have been discussed at least briefly on the floor of the U.S. Senate this afternoon, on a Monday with few present, with those and other things that we have before us, we have a tremendously demanding schedule for the rest of this session. I would think it would be much wiser to work effectively on the floor of the U.S. Senate and not in smoke-filled rooms with regard to such an important constitutional matter as this Senator has been attempting to make.

Mr. President, I want to announce—and I do not wish to use it as a parliamentary trick; I think there has been enough of that—but I am about to propound a unanimous-consent request that would lay aside the two blocking amendments that have prevented an up-or-down vote on my amendment, which I would remind the Senate once again has to do with a sense-of-the-Senate resolution merely voting up or down as to why we should not go ahead with the fallback provision and, therefore and thereby, essentially set aside the proposition of going through the excessive fixing mechanism that at least this Senator has been debating for several hours now over the last few days.

I do not intend to propound that request immediately unless I hear some suggestion that I should because, as far as I can see with my eyes, there is no Senator presently present that would be able to object, if an objection is in order, save possibly my distinguished friend, the occupant of the chair. And whether or not he cares to do that, I know not. I simply say, as a matter of courtesy to my colleagues, I will not make that request at least at this moment but very shortly.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1600

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPRESENTATIVE GEORGE M. O'BRIEN

Mr. DOLE. Mr. President, America and the Republican Party lost a good friend on July 17 when Representative George O'Brien died. Representative O'Brien served as the Congressman from Illinois' Fourth District for 14 years.

As one of the senior Republicans on the House Appropriations Committee, Representative O'Brien helped shape policy on issues ranging from the Legal Services Corporation to international trade. George O'Brien was an ardent advocate of aid to the handicapped and often pushed for adequate Federal funding on their behalf.

Mr. President, Democrat and Republican alike respected and admired George O'Brien for his quiet diligence and all of Congressman O'Brien's colleagues were saddened several months ago when they learned he would not seek reelection because of ill health.

One incident, shortly before the Fourth of July recess, exemplified George O'Brien's commitment to service. Extremely ill, he made his way to the House floor because he believed his vote was needed to ensure passage of aid to the Nicaraguan Contra rebels. This kind of dedication to duty was characteristic of George O'Brien's career in the House.

Mr. President, I take this opportunity to extend my sincerest sympathy to Representative O'Brien's family, his many friends, and his constituents back in Illinois.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT ON ACTIVITIES UNDER THE OCCUPATIONAL SAFETY AND HEALTH ACT—MESSAGE FROM THE PRESIDENT—PM 160

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with section 26 of the Occupational Safety and Health Act of 1970 (Public Law 91-596; 29 U.S.C. 675), I transmit herewith the 1985 annual reports on activities under that law of the Department of Labor, of the Department of Health and Human Services, and of the Occupational Safety and Health Review Commission.

RONALD REAGAN.

THE WHITE HOUSE, *July 28, 1986.*

MESSAGES FROM THE HOUSE

At 12:04 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 4782. An act to designate the United States Post Office Building being constructed in La Place, LA, as the "Gillis W. Long Post Office Building";

H.R. 4852. An act to designate the United States Post Office to be constructed in Barnwell, SC, as the "Solomon Blatt, Sr. Post Office";

H.R. 5175. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said

District for the fiscal year ending September 30, 1987, and for other purposes;

H.R. 5177. An act making appropriations for Agriculture, Rural Development, and Related Agencies for the fiscal year ending September 30, 1987, and for other purposes;

H.R. 5223. An act to permit the removal of certain material from the Mount Rushmore National Memorial; and

H.J. Res. 547. Joint resolution to designate October 1986 as "Polish American Month."

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 290. A concurrent resolution to recognize "Jpn." as the appropriate abbreviation for the words "Japan" and "Japanese."

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

At 12:51 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bills and joint resolution:

H.R. 1406. An act to authorize appropriations for nongame fish and wildlife conservation during fiscal years 1986, 1987, and 1988;

H.R. 2991. An act for the relief of Betsy L. Randall; and

H.J. Res. 623. Joint resolution to authorize the designation of a calendar week in 1986 and 1987 as National Infection Control Week.

The enrolled bills and joint resolution were subsequently signed by the President pro tempore [Mr. THURMOND].

MEASURES REFERRED

The following bills and joint resolution were read the first and second times by unanimous consent, and referred as indicated:

H.R. 4782. An act to designate the United States Post Office Building being constructed in La Place, LA, as the "Gillis W. Long Post Office Building"; to the Committee on Governmental Affairs.

H.R. 4852. An act to designate the United States Post Office to be constructed in Barnwell, SC, as the "Solomon Blatt, Sr. Post Office Building"; to the Committee on Governmental Affairs.

H.R. 5175. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1987, and for other purposes; to the Committee on Appropriations.

H.R. 5177. An act making appropriations for Agricultre, Rural Development, and Related Agencies for the fiscal year ending September 30, 1987, and for other purposes; to the Committee on Appropriations.

H.R. 5223. An act to permit the removal of certain material from the Mount Rushmore National Memorial; to the Committee on Energy and Natural Resources.

H.J. Res. 547. Joint resolution to designate October 1986 as "Polish American Month"; to the Committee on the Judiciary.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 290. A concurrent resolution to recognize "Jpn." as the appropriate abbreviation for the words "Japan" and "Japanese"; to the Committee on Labor and Human Resources.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

S. 2690. A bill to prohibit certain companies who have filed for bankruptcy from discontinuing medical and life insurance benefits to retirees.

The Committee on Armed Services was discharged from the further consideration of the following bill; which was placed on the calendar:

S. 1793. A bill to amend the Public Health Service Act to establish a grant program to develop improved systems of caring for medical technology dependent children in the home, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3513. A communication from the Deputy Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Federal Crop Insurance Act; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3514. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the annual report on agricultural trade consultations for 1985; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3515. A communication from the Deputy Chief for Programs, Soil Conservation Service, Department of Agriculture, transmitting, pursuant to law, a watershed plan and environmental impact statement for the Big Creek-Hurricane Creek Watershed, Missouri; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3516. A communication from the Deputy Chief for Programs, Soils Conservation Service, Department of Agriculture, transmitting, pursuant to law, a watershed plan and environmental impact statement for the South Fork watershed, Kansas; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3517. A communication from the Acting Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting, pursuant to law, a report on the conversion of the grounds maintenance function at Beale Air Force Base, CA, to performance under contract; to the Committee on Armed Services.

EC-3518. A communication from the Acting Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting, pursuant to law, a report on the conversion of the grounds maintenance function at MacDill Air Force Base, FL, to performance under contract; to the Committee on Armed Services.

EC-3519. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report on loan, guarantee, and insurance transactions supported by Eximbank during May and June 1986 to Communist countries; to the Committee on Banking, Housing, and Urban Affairs.

EC-3520. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the Monetary Policy Report, dated July 18, 1986; to the Committee on Banking, Housing, and Urban Affairs.

EC-3521. A communication from the Secretary of the Interior, transmitting, pursuant to law, notice of a leasing system for the western Gulf of Mexico; to the Committee on Energy and Natural Resources.

EC-3522. A communication from the Chairman of the National Research Council, transmitting, pursuant to law, a report entitled "Twin Trailer Trucks: Effects on Highways and Highway Safety"; to the Committee on Environment and Public Works.

EC-3523. A communication from the Administrator of General Services, transmitting, pursuant to law, an amended lease prospectus to acquire space in Washington, DC; to the Committee on Environment and Public Works.

EC-3524. A communication from the Deputy Chief for Programs, Soils Conservation Service, Department of Agriculture, transmitting, pursuant to law, the watershed plan and environmental impact statement for the North Deer Creek Watershed, Oklahoma; to the Committee on Environment and Public Works.

EC-3525. A communication from the Administrator of General Services, transmitting, pursuant to law, a report on the cost of travel to Government employees while engaged on official business; to the Committee on Governmental Affairs.

EC-3526. A communication from the Secretary of the Postal Rate Commission, transmitting, pursuant to law, notice of the postponement of a scheduled hearing until further notice; to the Committee on Governmental Affairs.

EC-3527. A communication from the Chairman of the Federal Maritime Commission, transmitting, pursuant to law, the annual report of the Commission under the Government in the Sunshine Act for calendar year 1985; to the Committee on Governmental Affairs.

EC-3528. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-188 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3529. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-189 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3530. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-190 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3531. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-191 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3532. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-193 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3533. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-192 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3534. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-194 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3535. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-195 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3536. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-196 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3537. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-199 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3538. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-198 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3539. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-200 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3540. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-201 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3541. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-204 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3542. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-205 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3543. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-206 adopted by the Council on July 8, 1986; to the Committee on Governmental Affairs.

EC-3544. A communication from the Secretary of Education transmitting, pursuant to law, final training priorities under the Training Program for Special Programs Staff and Leadership Personnel; to the Committee on Labor and Human Resources.

EC-3545. A communication from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, a report on the status of certain aliens under sec. 13 (b) and (c) of the act of September 11, 1957; to the Committee on the Judiciary.

EC-3546. A communication from the Secretary of the National Aviation Hall of Fame, Inc. transmitting, pursuant to law, its 1985 Audit Report; to the Committee on the Judiciary.

EC-3547. A communication from the Acting Director of the Defense Security Assistance Agency transmitting, pursuant to law, a confidential report on a foreign military assistance sale to Tunisia; to the Committee on Armed Services.

EC-3548. A communication from the Secretary of the Army transmitting, pursuant to law, the annual report of the Soldiers' and Airmen's Home for 1984 and the report of the Annual General Inspection of the Home for 1985; to the Committee on Armed Services.

EC-3549. A communication from the Secretary of the Interior transmitting a draft of proposed legislation relating to the Oroville-Tonasket Unit, Chief Joseph Dam Project; to the Committee on Energy and Natural Resources.

EC-3550. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to increase the authority of the Secretary of Commerce to collect on loans under the Public Works and Economic Development Act and the Trade Act; to the Committee on Environment and Public Works.

EC-3551. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the United States within the 60 days previous to July 23, 1986; to the Committee on Foreign Relations.

EC-3552. A communication from the Comptroller General of the United States transmitting, pursuant to law, a list of GAO reports issued in June 1986; to the Committee on Governmental Affairs.

EC-3553. A communication from the Assistant Attorney General of the United States transmitting a draft of proposed legislation to reform the Racketeer Influenced and Corrupt Organizations Act; to the Committee on the Judiciary.

EC-3554. A communication from the Assistant Secretary of the Air Force transmitting, pursuant to law, a report on the decision to convert the commissary shelf-stocking function at Hickam AFB, HI, to performance under contract; to the Committee on Armed Services.

EC-3555. A communication from the Assistant Secretary of the Air Force transmitting, pursuant to law, a report on the decision to study conversion of the T-38 tactical training aircraft maintenance function at Holloman AFB, NM, to performance under contract; to the Committee on Armed Services.

EC-3556. A communication from the Secretary of the Interior transmitting, pursuant to law, a report on the settlement of claims in *Westlands Water District* v. *the United States* and *Barcellos & Wolfsen, Inc.* v. *Westlands Water District;* to the Committee on Energy and Natural Resources.

EC-3557. A communication from the Secretary of Energy transmitting, pursuant to law, a report on a final rule adopted by the Department amending the criteria under which the United States offers toll enrichment services to electric utility customers in this country and abroad; to the Committee on Energy and Natural Resources.

EC-3558. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the annual report on Medicare for fiscal year 1983; to the Committee on Finance.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DURENBERGER:

S.J. Res. 380. A joint resolution directing the conferees on the act entitled the "Tax Reform Act of 1986" (H.R. 3838) to require that any amount refunded under section 212 of the Tax Reform Act of 1986 to steel companies filing bankruptcy petitions in 1986 or thereafter be dedicated for the continuation of company-paid health insurance costs for employees, and retired employees.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DIXON:

S. Res. 455. A resolution to call for the creation of an early notification system for nuclear accidents; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 1090

At the request of Mr. HELMS, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 1090, a bill to amend section 1464 of title 18, United States Code, relating to broadcasting obscene language, and for other purposes.

S. 1793

At the request of Mr. KENNEDY, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 1793, a bill to amend the Public Health Service Act to establish a grant program to develop improved systems of caring for medical technology dependent children in the home, and for other purposes.

S. 2226

At the request of Mr. BENTSEN, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 2226, a bill to prevent unfair international trading practices, including unfair trade concessions requirements, which undermine U.S. international trade agreements, from burdening U.S. trade and commerce.

S. 2352

At the request of Mr. EVANS, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 2352, a bill to amend the Internal Revenue Code of 1954 to provide for the reimbursement to State and local law enforcement agencies for costs incurred in investigations which substantially contribute to the recovery of Federal taxes.

S. 2489

At the request of Mr. KENNEDY, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor

of S. 2489, a bill to improve the training of physicians in geriatrics.

S. 2496

At the request of Mr. WALLOP, the names of the Senator from West Virginia [Mr. ROCKEFELLER] and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 2496, a bill to authorize the President to award congressional gold medals to Drs. Andrei Sakharov and Yelena Bonner for the great personal sacrifice they have made to further the causes of human rights and world peace.

S. 2573

At the request of Mr. HEINZ, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 2573, a bill to amend the Disaster Relief Act of 1974 to provide more effective assistance to disaster and emergency victims.

S. 2574

At the request of Mr. HEINZ, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 2574, a bill to amend the Disaster Relief Act of 1974 to provide more effective assistance to disaster and emergency victims.

S. 2665

At the request of Mr. SYMMS, the name of the Senator from New Hampshire [Mr. HUMPHREY] was added as a cosponsor of S. 2665, a bill to amend the national maximum speed limit law.

S. 2678

At the request of Mr. BENTSEN, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 2678, a bill to provide a comprehensive national oil security policy.

S. 2680

At the request of Mr. THURMOND, the names of the Senator from Nebraska [Mr. EXON], the Senator from Arkansas [Mr. PRYOR], the Senator from Wyoming [Mr. WALLOP], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 2680, a bill to amend the Internal Revenue Code of 1954 to allow a charitable contribution deduction to farmers who donate agricultural products to assist victims of natural disasters.

S. 2690

At the request of Mr. ROCKEFELLER, his name was added as a cosponsor of S. 2690, a bill to prohibit certain companies who have filed for bankruptcy from discontinuing medical and life insurance benefits to retirees.

SENATE JOINT RESOLUTION 322

At the request of Mr. LAUTENBERG, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Idaho [Mr. SYMMS], the Senator from Virginia [Mr. TRIBLE], and the Senator from Massachusetts [Mr. KERRY] were added as a cosponsors of Senate Joint Resolution 322, a joint resolution to designate December 7, 1986, as "National Pearl Harbor Remembrance Day" on the occasion of the anniversary of the attack on Pearl Harbor.

SENATE JOINT RESOLUTION 359

At the request of Mr. NICKLES, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of Senate Joint Resolution 359, a joint resolution to designate March 17, 1987, as "National China-Burma-India Veterans Association Day."

SENATE CONCURRENT RESOLUTION 130

At the request of Mr. HOLLINGS, the names of the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Utah [Mr. HATCH] were added as cosponsors of Senate Concurrent Resolution 130, a concurrent resolution to recognize the visit by the descendants of the original settlers of Purrysburg, SC, to Neufchatel, Switzerland, in October of 1986 as an international gesture of goodwill.

SENATE RESOLUTION 385

At the request of Mr. SASSER, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of Senate Resolution 385, a resolution to express the sense of the Senate that certain action be taken to end hunger in the United States by 1990.

SENATE RESOLUTION 455—RELATIVE TO THE CREATION OF AN EARLY NOTIFICATION SYSTEM FOR NUCLEAR ACCIDENTS

Mr. DIXON submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 455

Whereas the recent nuclear accident at the Soviet Chernobyl nuclear power station has heightened concern as to the ability of the international community to react quickly and efficiently to such situations;

Whereas the world learned of the Chernobyl disaster only after contaminants had crossed international boundaries;

Whereas few steps were taken to notify the endangered nations with only limited information released after great delay;

Whereas a prompt, efficient method of international communication about nuclear accidents is urgently needed; and

Whereas the International Atomic Energy Agency has scheduled a conference for September 1986 to consider the development of an early notification system for nuclear accidents: Now, therefore, be it

Resolved, That it is the sense of the Senate that the United States should express its support for the creation of an early notification system for nuclear accidents and, furthermore, should express this support through the U.S. Ambassador to the International Atomic Energy Agency at the September conference.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

NUCLEAR HOTLINE

Mr. DIXON. Mr. President, in late April of this year, a major accident occurred at the Soviet Union's Chernobyl nuclear powerplant near Kiev in the Ukraine. It released massive amounts of radioactivity, some of which crossed the Soviet borders to reach Scandinavia, Eastern Europe, and other countries. Traces of radioactivity ultimately reached the United States.

During the first days of the accident, the Soviet Union provided little information about its causes or the progression of the resulting clouds of contaminants. Neighboring European countries did not receive prompt, timely notification of the Chernobyl tragedy. Mr. President, the world desperately needed regular updates about the course of the Chernobyl disaster and the extent to which corrective measures were being taken.

Unfortunately, arrangements for instant communication among the nations affected by the Chernobyl tragedy were rudimentary. For several days the world was in the dark about this nuclear disaster.

Harvard University physics professor Richard Wilson warns that "with over 300 big reactors around the world, we'll average a meltdown every 30 years." With that kind of constant threat looming over the world, we must be prepared to deal with the next Chernobyl.

Mr. President, a communication system must be developed that would immediately notify the international community of a nuclear accident and the danger it poses.

For this reason, I am submitting a sense of the Senate resolution that urges the President to endorse the development of such an early notification system. When the International Atomic Energy Agency meets this September to consider the development of such an early notification system, the United States must demonstrate its full support.

All of us, are, of course, interested in every possible preventive measure to avert nuclear accidents in the future. Should an unforeseen accident occur, however, the world must be better prepared and informed.

I urge your support for this resolution. We must do everything humanly possible to prevent nuclear mishaps, but we must also be prepared to meet the challenge of safely handling any future nuclear accident.

AMENDMENTS SUBMITTED

INCREASE IN STATUTORY LIMIT ON THE PUBLIC DEBT

MATHIAS AMENDMENT NO. 2233

(Ordered to lie on the table.)

Mr. MATHIAS submitted an amendment intended to be proposed by him to the joint resolution (H.J. Res. 668)

increasing the statutory limit on the public debt; as follows:

At the end of the bill, add the following new section:

(a) IN GENERAL.—Section 256 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 906) is amended by adding at the end the following new subsection:

"(m) TREATMENT OF CERTAIN OFFSETTING RECEIPTS.—

"(1) DETERMINATION OF CERTAIN ACCOUNT BASES.—Offsetting receipts shall not be treated as spending authority (as defined in section 401(c)(2) of the Congressional Budget Act) for purposes of determining under sections 251 and 252 the bases from which reductions are to be taken for—

"(A) Library of Congress, Copyright Office, Salaries and Expenses (03-0102-0-1-376), and

"(B) Department of Commerce, Patent and Trademark Office, Salaries and Expenses (13-1006-0-1-376).

"(2) IDENTIFICATION OF ACCOUNTS.—For purposes of paragraph (1) accounts are identified by the designated budget account identification code numbers set forth in the Budget of the United States Government, 1986—Appendix.".

(b) APPLICATION.—The amendment made by subsection (a) shall apply to fiscal years beginning after September 30, 1986.

● Mr. MATHIAS. Mr. President, today I submit an amendment to House Joint Resolution 668 to change the treatment of Patent and Trademark Office and Copyright Office user fees for the purposes of sequestration orders or resolutions under the Gramm-Rudman-Hollings statute.

Mr. President, it may appear that this amendment addresses a minor issue of interest only to bookkeepers. That appearance is deceptive. This amendment addresses issues that are important to America's position in competitive world markets.

It is widely acknowledged in this Chamber that improving our industrial competitiveness is a very high priority. While there is disagreement as to how to promote U.S. competitiveness in the world, all agree that strong intellectual property standards are a key component. Our competitiveness is closely tied to innovations which are promoted and protected by strong laws on patents, copyrights and trademarks.

However, the Gramm-Rudman-Hollings statute threatens to undermine our efforts to promote and protect intellectual property by imposing on both the Patent and Trademark Office and the Copyright Office more than their fair share of across-the-board budget cuts. The ultimate effect is to impose a surcharge on the innovators and creators who use the patent, copyright and trademark systems.

Most agencies and programs receive the vast bulk of their funding from the taxpayer through appropriations. But the Patent and Trademark Office and Copyright Office also rely heavily on user fees to pay for agency activities. Both taxpayers and users—those applying for patents and registering claims for copyrights and trademarks—are essential sources of revenue for the efficient administration of our intellectual property laws. In addition, user fee revenue allows these agencies to maintain and expand their contributions to technological progress and artistic expression—and to our national economy and security—without continual pressure for increased deficit spending.

But the Gramm-Rudman-Hollings law, as currently interpreted, impedes these goals. When the fiscal year 1986 sequestering order was prepared, both appropriated funds and offsetting receipts or user fees were included in the baseline against which the across-the-board reduction is assessed. Of course, the reduction was actually taken only from appropriated funds; the user fees charged were not reduced. As a result, for both the Patent and Trademark Office and the Copyright Office, taxpayer-funded appropriations were reduced by a much larger percentage than other nondefense accounts.

Out of the total fiscal year 1986 nondefense sequesterable baseline of $240 billion, removing these user fees would have caused a reduction of only $125 million, or about 52 thousandths of 1 percent. However, while the overall budget impact is small, the effect of including user fees in the baseline on these agencies can be devastating. Sixty percent of Patent and Trademark Office revenue comes from those applying for patents and trademarks. Similarly, the Copyright Office receives 40 percent of its funding from user fees.

As a result of the fiscal year 1986 sequestration order, the Patent and Trademark Office's taxpayer-funded appropriation was reduced, not by 4.3 percent, but by 10.5 percent, more than twice the across-the-board percentage of other nondefense accounts. In case of the Copyright Office the sequestration cut 7 percent of its taxpayer dollars.

The inequitable treatment of the intellectual property agencies should disturb all who care about American innovation, creativity, and competitiveness. As chairman of the Subcommittee on Patents, Copyrights and Trademarks, I am particularly concerned about the prevailing interpretation of Gramm-Rudman-Hollings. In an effort to address this problem administratively, I joined with Representative ROBERT KASTENMEIER, chairman of the counterpart subcommittee in the other body, to write to the Comptroller General, the Congressional Budget Office and the Office of Management and Budget. We asked them to justify their interpretation of the statute, and if possible to reconsider it. We learned that, while CBO initially agreed that offsetting receipts should not be included in the sequesterable baseline, in the final analysis all the agencies agreed to include user fees. Congress alone can correct the problem that Congress, in its haste to craft the Gramm-Rudman-Hollings law, has inadvertently created. The Supreme Court decision striking down the sequestration process does not help to solve the problem. Unless Congress acts, the same interpretation of Gramm-Rudman-Hollings used to calculate the fiscal year 1986 sequester will govern the preparation, by OMB and CBO, of any deficit-cutting resolution presented to the temporary joint budget committee established by the fallback provisions of the statute. Similarly, if Congress decides to revive the sequestration power by assigning it to an executive branch agency, that authority will probably follow the same accounting rules that were used for this fiscal year, unless Congress instructs it to do otherwise.

Congress has asked creators and innovators to shoulder part of the burden of running the Patent and Trademark Office and the Copyright Office by paying for the services they use. But now Congress, under the prevailing interpretation of Gramm-Rudman-Hollings, penalizes creators and innovators. The more they use the system, the more they invent and create, the more will be slashed from the taxpayer support for these agencies.

Both the President and Congress wanted to avoid an automatic tax increase as a means of meeting deficit targets. That's why the Gramm-Rudman-Hollings law is limited to spending cuts. But the prevailing interpretation of this law implicitly imposes a tax on creativity and innovation. This not only places greater burdens on those who must pay; it also jeopardizes the efficient administration of intellectual property laws that are so important to our economic prosperity.

This is neither fair nor good policy. If automatic cuts are to be made, only spending funded by the taxpayer should be counted. Services that are paid for by the users of the Patent and Trademark and Copyright Offices should not be included. Equity calls for such treatment, and American competitiveness would benefit from it.

I ask unanimous consent that a letter to the Comptroller General and the responses from the Comptroller General, and the directors of the Congressional Budget Office and the Office of Management and Budget, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC, June 11, 1986.

Hon. CHARLES A. BOWSHER,
Comptroller General of the United States, General Accounting Office, Washington, DC.

Dear Mr. Bowsher: We write concerning an aspect of your responsibilities under Public Law 99-177, the Gramm-Rudman-Hollings law, that has particular importance for the federal agencies charged with administering our intellectual property protection statutes. We refer to the question of the treatment of user fees in preparing sequestration orders under the statute.

In preparing the sequestration order for Fiscal Year 1986, the General Accounting Office included both appropriated funds and offsetting receipts (including user fee revenue) in the baseline against which the across-the-board reduction was assessed. Of course, the reduction was actually taken only from appropriated funds; in accordance with section 255(e) of P.L. 99-177, offsetting receipts were not reduced. As a result, the appropriations for those agencies that receive user fees were reduced by more than the 4.3% cut applied to other nondefense agencies.

The impact of this method of treating user fees was particularly severe in the case of the Patent and Trademark Office (PTO) and the Copyright Office of the Library of Congress. Both these agencies rely to an unusual extent upon user fees. About 60% of the PTO's revenue comes directly from patent applicants, trademark registrants, and other users of the patent system. The Copyright Office relies on fees from registrants and other users for about 40% of its revenue. Both taxpayers and users are essential sources of the revenue base needed for the efficient administration of our intellectual property laws. User fee revenue also allows these agencies to maintain and expand their contributions to technological progress and artistic expression—and to our national economy and security—without continual pressure for increased deficit spending.

As a result of the FY 1986 sequestration order, based on the GAO's report under P.L. 99-177, the PTO's appropriation was reduced, not by 4.3%, but by 10.5%, more than twice the "across-the-board" percentage. In dollar terms, the PTO absorbed an $8.9 million cut; a 4.3% reduction would have amounted to only $3.6 million. In the case of the Copyright Office, the $726,000 lost by sequestration constituted 7% of its appropriation, and $258,000 more than would have been lost by a cut at the 4.3% "across-the-board" level.

These substantial cuts, far beyond the level absorbed by other agencies of government, have resulted directly from the GAO's decision to include offsetting receipts in the baseline from which sequestration is assessed. These extra cuts have already had some deleterious impact on the operations of these two offices. If it is necessary to employ the sequestering process again in FY 1987 or future years, this treatment of user fees may produce results that are not only inequitable, but also devastating to the missions of these agencies. Even if sequestering is not required, Congress will undoubtedly use the sequestration calculations as a yardstick for deficit reduction proposals. Thus, under any scenario, your interpretation of P.L. 99-177 may threaten the continued efficient administration of the patent, trademark and copyright laws.

As the chairman of the subcommittee of the Congress with oversight jurisdiction of the PTO and the Copyright Office, we share a special concern about the effect of deficit reduction measures on these agencies. In order for us to be fully informed as we consider a legislative response to this problem, we would be most appreciative if you would explain your reasons for concluding that offsetting receipts should be included in the baseline for sequestration, despite the express terms of section 255(e) of P.L. 99-177. We would also like to know whether you believe that you have the authority to reconsider your conclusion on this question before proceeding with the calculations that P.L. 99-177 requires you to make for FY 1987. If so, we ask that you undertake this reconsideration, and advise us of the results.

Your report on sequestration is required to be based on the reports you receive from the Directors of the Office of Management and Budget and the Congressional Budget Office. For FY 1986, these officers apparently agreed that offsetting receipts should be treated in the way that your report ultimately reflected. Accordingly, we are sending similar letters to the OMB and CBO directors, seeking their reasons for this interpretation of the statute, and asking them to reconsider their conclusions on this point.

Thank you in advance for your prompt response to these requests. We look forward to hearing from you.

Sincerely,

ROBERT W. KASTENMEIER,
Chairman, House Subcommittee on Courts, Civil Liberties, and the Administration of Justice.

CHARLES MCC. MATHIAS, JR.
Chairman, Senate Subcommittee on Patents, Copyrights and Trademarks.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, DC, July 16, 1986.

B-221498.45.

Hon. CHARLES MCC. MATHIAS, Jr.,
Chairman, Subcommittee on Patents, Copyrights, and Trademarks, Committee on the Judiciary, U.S Senate.

DEAR MR. CHAIRMAN: This responds to your letter of June 11, 1986, cosigned by the Chairman of the Subcommittee on Courts, Civil Liberties, and the Administration of Justice, House Committee on the Judiciary, concerning the sequestration of budgetary resources of the Patent and Trademark Office of the Department of Commerce and the Copyright Office of the Library of Congress under the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177). You request that we explain our reasons for concluding that offsetting receipts of the two offices should be included in the baseline for sequestration, despite the language of section 255(e) of the Act that offsetting receipts and collections are not subject to reduction.[1]

Under Public Law 99-177, sequestrations are to be made of "new budget authority, new loan guarantee commitments, new direct loan obligations, obligation limitations, and spending authority" of each agency, to the extent necessary to achieve outlay reductions. § 251(a)(3)(F)(iv). The only exceptions to the broad coverage of this language are those specifically detailed in the various exemptions, exceptions, limitations, or special rules delineated in the Act. Consequently, in determining the required sequester amount for each account, this Office considered two questions: (1) which budgetary resources were covered by the language of section 251(a)(3)(F)(iv), and (2) which of those resources were protected by the various exemptions and limitations contained in the Act.

Both the Patent and Trademark Office and the Copyright Office are authorized to collect certain fees in the course of conducting their operations. In the case of the Patent and Trademark Office, those fees are credited to the appropriations account for the salaries and expenses of the office, to be expended as provided in appropriation acts. *See* 35 U.S.C. § 42. Those fees are thus appropriated annually as part of the general appropriation to the office. *See, e.g.*, Department of Commerce Appropriation Act, 1986, Pub. L. No. 99-180, title I, 99 Stat. 1136, 1139 (1985). In the case of the Copyright Office, fees are credited to the appropriation account under several statutory authorities (17 U.S.C. §§ 708(c), 111(d)(3), 116(c)(1)), and are also appropriated annually under the general appropriation to the office. *See, e.g.*, Legislative Branch Appropriations Act, 1986, Pub. L. No. 99-151, 99 Stat. 792, 803 (1985). In our view, these annual appropriations of receipts fall within the definition of budget authority.[2]

In each of the two accounts at issue here, the authority to expend offsetting receipts thus constitutes a type of budgetary resource subject to automatic reduction under Public Law 99-177 unless covered by an exemption, exception, limitation, or special rule. Included in the list of exempt programs and activities of section 255 is the following:

"OFFSETTING RECEIPTS AND COLLECTIONS.—Offsetting receipts and collections shall not be reduced under any order issued under this part." § 255(e).

In implementing the Act, the Office of Management and Budget took the view that this exemption applied only to the actual receipts and collections received by agencies in the course of their operations, and not to the subsequent expenditure of such funds. The Congressional Budget Office, on the other hand, initially took the view that this language exempted the expenditure of such receipts and collections. We acknowledged that the question was a close one, but ultimately agreed with the position advocated by the Office of Management and Budget. One factor in support of that view was that the conference report discussion of the provision refers to offsetting receipts and collections as a type of "federal financing operation." *See* H.R. Rep. No. 433, 99th Cong. 2d Sess. 85 (1985). In this light, it appeared to us that the intention of section 255(e) was to protect the collection, rather than the expenditure, of such funds. Thus, agencies that finance all or a portion of their program activities through fees and collections are required to reduce outlays for such activities, but may not reduce revenue levels, thereby contributing to the Act's overall goal of deficit reduction. After our

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[1] You also request our views as to whether this Office has the authority to reconsider its actions under Public Law 99-177, prior to proceeding with calculations for fiscal year 1987. In light of the Supreme Court's ruling in *Bowsher* v. *Synar*, No. 85-1377 (U.S. July 7, 1986), our Office has no present plans to take part in the sequestration process for fiscal year 1987.

[2] "Budget authority" is defined as "authority provided by law to enter into obligations which will result in immediate or future outlays involving Government funds * * *." 2 U.S.C. § 622(2).

views were expressed to the Congressional Budget Office, officials of that agency agreed to include the authority to expend offsetting receipts and collections within the sequestrable base for purposes of the combined OMB/CBO report.

Based on the reasons described above, we concluded that the authority of agencies to expend offsetting receipts and collections was, as a general rule, subject to sequester. In several instances, such budgetary resources were exempt from sequestration under other exemptions or limitations contained in the Act; for example, all three agencies agreed that the act exempted expenditures made from offsetting receipts and collections derived from other federal sources, as falling within the exemption for "intergovernmental funds." For both the Patent and Trademark Office and the Copyright Office, offsetting receipts from other federal sources were considered to be exempt from sequestration. We did not consider any other exemption to apply to the expenditure of offsetting receipts from the two accounts.

You state in your letter that the sequestration of funds form the Patent and Trademark Office amounted to 10.5 percent of the amount of appropriations provided to that office for fiscal year 1986. In actuality, however, the amount of the appropriation provided to the Patent and Trademark Office for fiscal year 1986 was $84,700,000 "and, in addition, such fees as shall be collected pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 46 * * * (estimated to total $119,486,000 from non-federal sources). *See* Department of Commerce Appropriation Act, 1986, Pub. L. No. 99-180, tit. I, 99 Stat. 1136, 1139 (1985). Consequently, the sequester of $8,780,000 was 4.3 percent of the $204,186,000 appropriated to the account for fiscal year 1986. The same is true of the Copyright Office: the amount designated to be sequestered was 4.3 percent of the total budgetary resources provided to the agency to carry out its activities for fiscal year 1986.

We hope that the foregoing is of assistance to you.

Sincerely yours,

MILTON J. SOCOLAR,
(For Comptroller General
of the United States).

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 11, 1986.

Hon. CHARLES MCC. MATHIAS, Jr.,
Chairman, Subcommittee on Patents, Copyrights and Trademarks, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This is in response to your letter, sent jointly with Representative Robert M. Kastenmeier, questioning the correctness of including patent and copyright fee receipts in the base for sequestrations under P.L. 99-177 (the Balanced Budget Act). The issue you raise extends far beyond the Patent and Trademark Office and the Copyright Office. It affects about 100 different federal accounts with approximately $2 billion in receipts from the public and from other nonfederal sources.

As we approached the task of preparing the January 15, 1986 joint OMB/CBO report to the Comptroller General, CBO was of the view that an agency's spending base for sequestration purposes was a net figure, that is, gross spending less collections from nonfederal sources. OMB disagreed, holding that gross spending was the proper base. (Enclosed are copies of legal opinions prepared in both offices.)

Because such a conceptual disagreement does not lend itself to averaging, and because the Comptroller General would have the final say on the point, we consulted that official for his opinion. He agreed with the OMB view. Our January 15th report consequently reflected that ruling; and so, of course, did the Comptroller General's own report of January 21 and the resulting Presidential order of February 1, 1986.

Given the Supreme Court's holding in *Bowsher* v. *Synar*, the Comptroller General now is not available to be a "tie-breaker" when OMB and CBO have a conceptual disagreement. Even so, we regard the Comptroller General's fiscal year 1986 ruling as a governing precedent for the treatment of offsetting collections in our future reports under the Balanced Budget Act.

I am sending a similar letter to Representative Kastenmeier.

With best wishes,

Sincerely,

RUDOLPH G. PENNER.

[Memorandum]

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, December 23, 1985.

To: Jim Blum.
From: Alfred B. Fitt, General Counsel.
Subject: Offsetting Collections and Sequestration.

The Balanced Budget and Emergency Deficit Control Act of 1985 (the Act) at section 255(e) provides that "Outsetting receipts and collections shall not be reduced under any order issued under this part." Despite this language, OMB is of the view that the sequesterable base in an account financed in whole or in part by offsetting collections from nonfederal sources consists of that account's outlays (as usually defined) plus the spending financed by the offsetting collections.

OMB counsel has been unable to articulate to me the chain of reasoning by which that agency reaches its conclusion, which I disagree.

As we all know the legislative history of the Act is lamentably skimpy, but what there is of it provides convincing support for the conclusion that offsetting collections are not to be counted in an account's sequesterable base, except to the extent used to finance administrative expenses.

The original version of the Act passed by the Senate on October 10, 1985 has a definition of "controllable expenditures" as "total budget outlays for an account" and included in "other budgetary resources" (subject to sequestration) "receipts credited to an account;" see section 3(d)(4)(G) and (H), pp. 42 and 43 of the printed bill. If this has been the final version, the OMB position would clearly be correct.

On November 1, 1985 the House passed a comprehensive revision of the Senate bill. Its definition of "controllable expenditures" was subject to exceptions "provided in sections 253 and 254," and did not apply to exceptions "provided in sections 253 and 254," and did not apply to "total outlays," see section 255(7) at p. 104 of the November 6, 1985 Senate print. Section 253(d) provided that "The following budget accounts and activities shall be exempt from reduction under any order issued under this part: . . . (8) Other—offsetting receipts and collections . . .;" see p. 91.

The Senate again passed the bill on November 6, this time with conflicting language on the appropriate treatment for offsetting collections. Section 203(d)(7)(H) at p. 201 of the Senate print excluded "offsetting receipts" from the definition of "controllable expenditures," while section 203(d)(7)(K) provided that "Receipts credited to an account shall not be deducted from outlays for the purpose of determining the amount to be sequestered." see p. 203. Again, had this language survived in the Act itself, the OMB position arguably would be correct.

But section 203(d)(7)(K) did not survive. It vanished entirely. The only remaining relevant language in the Act, other than the exemption quoted at the beginning of this memorandum, is at section 256(b)(2):

"Notwithstanding any other provision of law, administrative expenses of any program, project, activity or account which is self-supporting and does not receive appropriations shall be subject to reduction under a sequester order, unless specifically exempted in this joint resolution."

This language was entirely unnecessary unless the drafters believed that offsetting collections were otherwise exempt for sequestration by virtue of section 255(e).

Under general rules of statutory construction, all parts of a law are presumed to have meaning, and the discard or rejection of a provision during the rite of passage is to be given significance. The OMB position divests section 255(e) of all meaning and ignores the fact that the Senate's explicit attempt to subject offsetting collections to a sequester order was explicitly rejected by the House, which prevailed on this issue when the bill became law.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, January 4, 1986.

MEMORANDUM FOR JIM MILLER.
From: John H. Carley, General Counsel.
Subject: Offsetting Collections and Receipts.

This memorandum sets forth my preliminary views on the question whether payments from offsetting collections and receipts are subject to sequestration under the Gramm-Rudman-Hollings Act. In my opinion, it is clear on the face of the statute that payment from such collections and receipts are subject to sequestration and therefore should be added to the base in performing the calculations required by the Act.

The provision in question is Section 255(e) of the Act, which provides as follows:

"OFFSETTING RECEIPTS AND COLLECTIONS.—Offsetting receipts and collections shall not be reduced under any order issued under this part."

In construing this provision, I am mindful that the sequestration order, and thus any conclusion we reach on this point, will be subject to judicial review by a three-judge panel (Circuit Judge Scalia, Judges Gasch and Johnson). Thus, my effort has been to determine how a court of law will rule on this question, as opposed to what some participants in the drafting process may believe was intended.

My analysis begins with Section 211 of the Act, amending Section 401(c)(2) of the Budget and Impoundment Control Act of 1974, which defines the term "spending authority" for purposes of that Act. In particular, subsection 401(c)(2)(E) of that Act is amended to provide that the term "spending authority" shall include authority: "to make payments by the United States (including loans, grants, and payments from

revolving funds) other than those covered by subparagraphs (A), (B), (C), or (D), the budget authority for which is not provided in advance by appropriation Acts."

This subsection covers, *inter alia*, payments from offsetting collections and receipts. The parenthetical expression ("including loans, grants, and payments from revolving funds") is clearly illustrative, and not an exclusive listing. Rather, the subsection extends generally to authority to make payments by the United States "the budget authority for which is not provided in advance by appropriation Acts."

Section 401(c)(2), as amended, is referenced by the operational sections of G-R-H that define what funds are subject to sequester. As explained in the accompanying Conference report, this provision covers "all types of backdoor spending authority—that is, spending not subject to the annual control of the appropriations process" (at 111). Thus, on its face, the Act plainly provides that payments from receipts and collections are subject to sequester.

Against this background, my interpretation of Section 255(e) is that it means precisely what it says—that offsetting receipts and collections are not reduced by a G-R-H sequester order. States another way, this provision means that the amount of a user fee or other form of payment charged is not to be deemed to be reduced simply because the level of program activity supported by those payments is reduced by the sequestration order. Nothing in Section 255(e) suggests that the budgetary resources derived from such receipts and collections are not subject to sequestration.

The Congressional Budget Office has argued that Section 225(e) [1] was intended to reduce the base to which the sequestration order applies, by exempting payments from receipts and collections from reduction (copy attached). In order to reach that conclusion, CBO has to read into the statute critical words that Congress did not include—that is, CBO infers that Congress actually means to say that "payment from" receipts and collections were not to be reduced by the order, a fundamental departure from the actual language. It is our understanding that CBO has been told by a member of the House Budget Committee staff that this was Congress's intention, although a Senate Budget Committee staff member has told CBO that this was not Congress's intent.

The first principle if statutory construction is that resort to legislative history is not appropriate if the language of the statute is unambiguous. *See, e.g., United States* v. *Missousi Pacific R.R.*, 278 U.S. 269, 278 (1929); *National Small Shipments* v. *CAB*, 618 F.2d 819, 828 (D.C. Cir. 1980). As noted above, the statute appears to be clear, comprehensible on its face, and completely operative under the literal (OMB) interpretation, in that it expressly dispels any notion that user fees or other forms of payment were to be deemed automatically reduced by a G-R-H sequestration order.

Even assuming that the statute was ambiguous and that resort to legislative history was appropriate, CBO has not cited us to any legitimate "legislative history", as that term is used by the courts. The only relevant legislative history for the final version of the Act is the Conference report and floor debates. The report states plainly that Section 401(c)(2), as amended, was intended to cover all backdoor spending; it is absolutely silent on the point where CBO would supply language to alter the literal meaning of Section 255(e). The statement of a Committee staff member as to what he believed one of the two Houses of Congress meant to accomplish by adding this Section is not competent evidence of legislative intent. *International Union, UAW* v. *Donovan*, 746 F.2d 855 (D.C. Cir. 1984) (Scalia J.); *Hirschev* v. *FERC*, No. 82-2170 (D.C. Cir. Nov. 15, 1985) (Scalia, J., concurring).

In defense of its position, CBO counsel advances three arguments allegedly derived from the legislative history. Each argument is fatally flawed.

1. CBO points out that earlier Senate versions of the bill contained a provision that would explicitly have foreclosed CBO's argument, but that this section did not appear in the final version. CBO cannot cite any part of the Conference report or the floor debates to explain why this provision was deleted or whether anything turned on its absence. (The final version adopted a definition of the sequestrable base fundamentally different from that considered by the Senate; the section noted by CBO was tied to that Senate mechanism). Thus, it is completely inappropriate to speculate, as CBO does, that the non-inclusion of this provision is probative of an alleged Congressional intent to exempt such payments from sequestration. Rather, the other outcome is more likely—that Congress did not include this provision because the specific reference to the definitions in Section 401(c)(2) of the 1974 Act, as amended by G-R-H, made its inclusion unnecessary and redundant. In any event, CBO's effort to engage in such speculation about the intention of Congress in the unexplained deletion of an obsolete provision—especially in a bill as complex and hastily drafted as G-R-H—serves only to demonstrate the impropriety of attempting to devine Congressional intent about an otherwise comprehensible and enforceable provision from such scraps of "legislative history".

2. CBO also finds comfort in the inclusion of Section 256(b)(2), subjecting administrative expenses of self-supporting programs to the sequester order, unless otherwise specifically exempted. CBO contends that this subsection was "entirely unnecessary" unless Congress believed offsetting collections were otherwise exempt. On its face, this argument is erroneous, because this subsection serves the very real purpose of extending the principle of subsection 245(b)(1) to an additional set of programs. Furthermore, CBO's argument is eternally inconsistent and, even on its own terms, meaningless.

As noted above, CBO's position is qualified by an exception for administrative expenses (opinion at 1). This subsection makes certain administrative expenses of self-supporting programs subject to reduction, unless otherwise exempted. But Section 255(e), in CBO's view, exempts payments from offsetting collections. Thus, under CBO's own analysis, subsection 256(b)(2) has no effect, because the exception swallows the "rule." Such a contradiction is fatal to CBO's analysis.

As a practical matter, collections and receipts are not earmarked for administrative expenses or program uses, so that they cannot thereafter be traced to identify a pool of money allegedly subject to sequester and a separate pool allegedly exempt. Thus, CBO's reading of subsection 256(b)(2) is meaningless.

3. In the final analysis, the CBO argument reduces to the assertion that, notwithstanding the clear language, the words "payments from" receipts and collections should be read into Section 255(e) solely because of the placement of this provision in a part of the Act that otherwise deals with exemptions from sequestration. This argument is totally unconvincing. Although the placement of this provision is difficult (if not impossible) to reconstruct from the limited legislative history and the nature of the Conference that produced the final version, this is a slender reed indeed upon which to base such a fundamental reconstruction of the language Congress actually passed. Nothing in the Conference report or the floor debates supports CBO's reading. Especially in light of the Supreme Court's repeated admonitions that resort should not be had to such low-order interpretative devices unless the language of the statute is ambiguous the mere unexplained inclusion of this provision in Section 255 cannot justify the radical surgery CBO's reading would require.

Accordingly, I conclude that payments from offsetting receipts and collections are subject to sequestration.

OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, July 7, 1986.

Hon. CHARLES MCC. MATHIAS, Jr.,
Chairman, Subcommittee on Patents, Copyrights and Trademarks, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: In your letter of June 11, 1986, you asked us to explain our reasoning for concluding that offsetting receipts should be included in the baseline for sequestration. In particular, you asked if we had the authority to reconsider this matter for the calculations required for 1987.

Last January, OMB, the Congressional Budget Office and the General Accounting Office agreed that Gramm-Rudman-Hollings requires the sequestration of spending authority provided by offsetting receipts. This was based in Section 211 of the Balanced Budget and Emergency Deficit Control Act of 1985. Section 211 provides that the term spending authority shall include authority: "to make payments by the United States (including loans, grants, and payments from revolving funds) . . . the budget authority for which is not provided in advance by appropriation Acts."

Other sections of the Act reinforce the opinion that all spending that was not specifically exempted was meant to be included in the baseline. For example, Section 256(b) states that administrative expenses in all accounts will be subject to reduction regardless of exemptions or special rules related to other parts of the account. In addition, this section says that administrative expenses of accounts that are self-supporting will be subject to reduction unless they are specifically exempted.

As GAO has concluded, Section 255(e) simply means that the amount of a user fee is not deemed to be reduced by the sequestration order, even though the amount of Federal activity supported by the fee is being reduced. Nothing in this section suggests that the budgetary resources derived from such receipts and collections are not subject to sequestration.

Thus, both the Patent and Trademark Office and the Copyright Office were re-

[1] We are not entirely certain of CBO's position, because its interpretation of Section 255(e) is qualified by an exception for "receipts used to finance administrative expenses."

duced by 4.3 percent of their total 1986 program activity—whether financed by user fees or by appropriation. OMB does not have the power to change this procedure for purposes of the calculations required for FY 1987. The Administration does not support a sequester for 1987. We believe the Congress can and should make the necessary spending cuts to avoid another sequester.

Sincerely yours,

JAMES. C. MILLER III,
Director.●

CONTINUED TELEVISION COVERAGE OF SENATE PROCEEDINGS

MATHIAS AMENDMENT NO. 2234

(Ordered to lie on the table.)

Mr. MATHIAS submitted an amendment intended to be proposed by him to the resolution (S. Res. 447) to amend Senate Resolution 28, as amended, agreed to February 27, 1986; as follows:

At the end of the resolution, insert the following:

SEC. 2. (a) Subsection (c) of section 4 of S. Res. 28, as amended, agreed to February 27, 1986, is amended by striking out beginning with "(2) make audio" through the end thereof and insert the following: "(2) make audio and video tape recordings, and copies thereof of Senate proceeding as provided in subsection (d), (3) retain for thirty days after the day any Senate proceedings took place, such recording thereof, and transmit the Secretary of the Senate copies of such recordings, and (4) make copies of such recordings available to members of the Senate Radio and Television Correspondents Gallery, and such other news gathering, educational, or information distributing entities as may be authorized by the Committee on Rules and Administration to receive such broadcasts: *Provided,* That the Sergeant at Arms and Doorkeeper of the Senate, in carrying out the duties specified in this subsection, shall comply with appropriate Senate procurement and other regulations.".

(b) Section 4 of S. Res. 28 is amended by adding at the end thereof the following:

(d)(1) The Secretary of the Senate shall provide for the transfer of audio and video tape recordings to the Librarian of Congress and the Archivist of the United States after the thirty-day retention period provided in subsection (c)(3).

(2) Audio and video tape recordings transferred pursuant to paragraph (1) shall—

(A) remain the property of the Senate; and

(B) be made available to the public for viewing during the normal business hours of the Library of Congress and the National Archives.

(3) The Librarian of Congress and the Archivist of the United States shall make copies of the audio and video recordings transferred pursuant to paragraph (1) available to the public subject to the charging of a fee for such copies to recover the cost of copying. Any person obtaining a recording pursuant to this paragraph shall sign a waiver of compliance with Senate political and commercial use prohibitions as provided by the Committee on Rules and Administration.

(4) Notwithstanding any other provision of this subsection, the Librarian of Congress may make live recordings of Senate proceedings from the congressional cable system. Recordings made pursuant to this paragraph shall be retained for thirty days after the day any Senate proceedings took place before such recordings are made available to the public.

INCREASE IN STATUTORY LIMIT ON THE PUBLIC DEBT

MATTINGLY AMENDMENT NO. 2235

(Ordered to lie on the table.)

Mr. MATTINGLY submitted an amendment intended to be proposed by him to the joint resolution (H.J. Res. 668), supra; as follows:

At the end of the bill, add the following new section:

"SEC. . (a) Notwithstanding any other provision of law, for the crop year 1986 for peanuts, soybeans, wheat, feed-grains, cotton, and other program crops, the Secretary of Agriculture shall make available to the producers of such crops in counties declared to have suffered a drought disaster for the year, crop disaster payments (either in cash or generic, transferable commodity certificates redeemable for commodities owned by the Commodity Credit Corporation) in such amounts as he determines necessary to alleviate the economic loss of each producer of such crops due to drought-related crop loss or reduced yield; *Provided that:*

(1) the aggregate amount expended for such purpose, including any payments made under the regular price support programs, shall not exceed the total which the Secretary would otherwise be obligated to expend for price support activities for all program crops in the affected counties for the 1986 crop year if such crops had produced an average yield; and

(2) the Secretary shall, insofar as possible, ensure that no individual producer of any corp shall receive any amount in excess of the amounts to which he would otherwise be eligible to receive from price support activities had there been an average yield for the year on his program crops; and

(3) in determining the amount of assistance to be made available to each producer, the Secretary shall, insofar as possible and in accordance with paragraph (1) of this subsection, provide at least 75 percentum of the amount which the producer would have received on an average crop yield from price support activities; and

(4) notwithstanding paragraph (1) of this subsection, in the case of soybeans, the Secretary shall make disaster payments as provided in this subsection in an amount equal to 60 percentum of the 1986 price support loan established for soybeans, based on the average yield of soybeans for the farm, less the amount of any sound beans which are actually harvested for crop year 1986 on the farm, such payment not to exceed a value of $50,000 per producer; and

(5) in determining a producer's average yield, the Secretary shall use the average of the past five years production on the farm, excluding the high and low years, or the average of all years if production history for the farm is less than five years.

(b) Notwithstanding any other provision of law, for the calendar year 1986 the Secretary shall make available to owners of comercial herds or flocks of livestock, poultry or swine in counties declared to have suffered a drought disaster for the years, surplus commodities owned by the Commodity Credit Corporation, at a cost not to exceed 40 percentum of the current market price of like commodities in the producer's county of business, for the purpose of feeding such animals or to feed replacement animals; *Provided that:*

(1) no owner of such animals shall be eligible to receive such commodities unless his herd or flock has or will suffer such a loss of 15 percentum or more due to mortality, or premature sale or premature slaughter forced by drought conditions or shortage of feed; and

(2) owners of such animals shall continue to be eligible to receive such commodities for a period of 30 days following a finding by the Secretary that adequate supplies of appropriate animal feed are available within the county at a reasonable cost; and

(3) in carrying out this subsection, the Secretary shall, when it is determined that forage or hay is needed rather than feedgrains to provide sustinance to livestock, utilize commodities owned by the Commodity Credit Corporation (or generic, transferrable commodity certificates) for the purpose of exchanging such commodities or certificates for hay or other suitable ruffage, which shall then be made available to eligible owners of such livestock at a cost equivalent to 40 percentum of the county price of the commodity(s) exchanged for such hay.

(c) Insofar as practicable, for the crop year 1986, the Secretary shall make disaster payments to producers of non-program crops, fruits, nuts and vegetables in counties declared to have suffered a drought disaster during crop year 1986, whenever the Secretary determines that the producer has suffered substantial losses of production due to drought conditions and that such losses have created an economic emergency for the producers to the extent that additional assistance must be made available to alleviate such economic emergency.

(d) The authorities contained in this section shall be in addition to all other existing authorities of the Secretary of Agriculture to provide emergency or disaster assistance to producers, and shall not be construed to limit in any manner whatsoever such existing authority or to supplant any other relief to which a producer may be eligible under existing law.".

Mr. MATTINGLY. Mr. President, today I am offering an amendment which I hope will be adopted when the Senate returns to consideration of the debt ceiling bill, House Joint Resolution 668. This amendment will require the Secretary of Agriculture to provide significant relief to the hard-pressed farm producers throughout the drought-stricken Southeastern and Eastern sections of the country, but it will cost little or nothing in excess of the presently budgeted expense of the normal price-support programs.

My amendment requires the Secretary to make disaster payments to farmers in counties which are declared eligible for disaster assistance. He is authorized to make these payments by utilizing surplus commodities owned by the Commodity Credit Corporation in lieu of cash. CCC already owns more than $9.0 billion in surplus commodities and the tax payer pays hundred of millions of dollars more just to

store them. By using these commodities instead of cash, we can afford some modest relief to farmers who are being wiped out by the drought disaster.

It may be difficult for many of my colleagues to imagine just how dreadfully serious the current situation is on the farms in these drought areas. I was in Georgia with Secretary Lyng just last Friday, and we had an opportunity to talk to producers and see the mounting damages. I want you to know that this is a disaster of monumental proportions, and it is getting worse with each passing day. Farmers in the Southeast were already having serious financial problems, just as farmers across the nation have been economically stressed. But, this disaster, on top of the problems they already had, has many farm producers on the brink of utter dispair.

I had written Secretary Lyng on last Tuesday, July 22, outlining the nature of the crisis and offering several suggested options he could exercise in order to provide some immediate relief. (I would ask that a copy of that letter be included in the RECORD as if read in full.) The amendment which I have asked to have printed today incorporates a portion of the actions which I had earlier asked the Secretary to implement. Specifically, it requires disaster payments which can be made in cash, but also allows those payments to be made with commodities or certificates. The Secretary would be required to pay a producer at least 75 percent of what that producer would have realized in income from the Price Support Program if there had not been a drought loss. In this manner, he can make assistance available to struggling farmers without busting the budget, since he will be using commodities with a value of not more than the amount of money which is already authorized to be spent on price support activities. In fact, it is entirely possible that this amendment will allow the Government to actually save money and lower cash outlays. More significantly, it will allow many farmers to stay in business and pay their debts and preserve their way of life. There is also a provision which will make hay available for livestock by exchanging CCC surplus for the hay when the producer cannot use grain for his animals.

I hope my colleagues will take a few moments to give this suggestion some serious consideration. It is so easy to gather here in this Chamber and to debate issues and discuss lofty ideals. But, this is one opportunity we must not miss if we are going to provide some modest assistance to those who feed and clothe our Nation. I sincerely urge you to support and cosponsor this amendment when we call it up here on the floor.

Mr. President, before I relinquish the floor, I want to take just a moment to express my deep appreciation to the hundreds of farmers from across the country who have rallied to assist their stricken brethren in the Southeast with much-needed shipments of hay to feed our livestock. This demonstration of sympathy and human kindness underscores, I think, one of the many reasons that we keep on trying to preserve the family farm tradition in America. It is symbolic of the many values that the family farm contributes to our society, and demonstrates the generosity of those who have made these selfless contributions in order to help out in time of tragedy. I also want to thank the many elected officials * * * Governors of States, many of my colleagues here in Congress who have organized assistance, and the hundreds of other individuals who have been trying to help in the past few days. I want to say to them, "God bless you. Your help is deeply and genuinely appreciated."

ADDITIONAL STATEMENTS

BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

The report follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, July 28, 1986.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of congressional action on the budget for fiscal year 1986. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, Senate Concurrent Resolution 32. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32 and is current through July 25, 1986. The report is submitted under section 308(b) and in section 311 of the Congressional Budget Act, as amended.

No changes have occurred since my last report.

With best wishes,

Sincerely,

RUDOLPH G. PENNER.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF JULY 25, 1986

[Fiscal year 1986—in billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Current level [1]	1,053.0	980.0	778.5	2,071.8
Budget resolution, Senate Concurrent Resolution 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by		12.4		
Under resolution by	16.7		17.2	6.9

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate committee or passed by the Senate. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,078.7 billion.

FISCAL YEAR 1986, SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF JULY 25, 1986

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			777,794
Permanent appropriations and trust funds	723,461	629,772	
Other appropriations	525,778	544,947	
Offsetting receipts	−188,561	−188,561	
Total enacted in previous sessions	1,060,679	986,159	777,794
II. Enacted this session:			
Commodity Credit Corporation urgent supplemental appropriation, 1986 (Public Law 99-243)		4	
Federal Employees Benefits Improvement Act of 1986 (Public Law 99-251)		−51	
VA home loan guarantee amendments (Public Law 99-255)			
Omnibus Budget Reconciliation Act of 1985 (Public Law 99-272)	−4,259	−6,001	765
Department of Agriculture urgent supplemental, 1986 (Public Law 99-263)			
Advanced to hazardous substance response trust fund (Public Law 99-270)			
FHA and GNMA Credit Commitment Assistance Act (Public Law 99-289)		−380	
Federal Employees Retirement Act of 1986 (Public Law 99-335)			−90
Temporary extension of certain housing programs (Public Law 99-345)		−304	
Military Retirement Reform Act (Public Law 99-348)		−25	
Urgent supplemental appropriations, 1986 (Public Law 99-349)	−3,508	475	
Total	−7,792	−6,256	675
III. Continuing resolution authority			

FISCAL YEAR 1986, SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF JULY 25, 1986—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
IV. Conference agreements ratified by both Houses: Panama Canal Commission Authorizing Act (H.R. 4409).	18	16	
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Compact of free association.	3	3	
Special benefits (Federal employees).	14	14	
Family social services	100	75	
Payment to civil service retirement [1]	(37)	(37)	
Total entitlements	118	93	
Total current level as of July 25, 1986.	1,053,024	980,012	778,469
1986 budget resolution (S. Con. Res. 32).	1,069,700	967,600	795,700
Amount remaining: Over budget resolution		12,412	
Under budget resolution	16,676		17,231

[1] Interfund transactions do not add to budget totals.

Note.—Numbers may not add due to rounding.●

WARREN BROOKES' ARTICLE ON TAX REFORM

● Mr. BOSCHWITZ. Mr. President, the July 14, 1986 edition of the Washington Times carried an article by Warren Brookes titled "Tax Reform Ambush." In his article, Mr. Brookes argues that the Senate's top individual tax rate of 27 percent should be maintained in the final tax bill which emerges from the House-Senate conference on tax reform. I agree.

Some of the House conferees have suggested that a third, higher tax rate should be added. I think that would be a mistake. If the top rate goes above 27 percent, many of the provisions which were eliminated or modified in the Senate bill to make the Tax Code simpler and fairer would undoubtedly be reintroduced, and we would once again have a Tax Code with so many bells and whistles as to create work for accountants and lawyers yet unborn!

Perhaps the purpose in calling for a third, higher tax rate is to try and increase collections from "the wealthy." But as I have pointed out on several occasions, history consistently shows that the way to collect more from the wealthy is to cut their tax rates. The tax cuts of 1921-25, 1963-66, and 1981, all resulted in revenue collections from the wealthiest taxpayers actually increasing. Those calling for a third, higher rate must understand that the amount of tax collected is not only a function of the tax rates, but also a function of the amount of income subject to tax. As rates decrease, the incentive to use tax shelters to reduce the amount of income subject to tax also decreases.

For instance, in Minnesota a 50-percent Federal rate and a 14-percent State rate create a combined top tax rate for individuals of 57 percent, which provides a strong incentive to shelter income with investments designed for tax purposes. Assuming a 38-percent top rate as proposed in the House tax bill, the combined State and Federal rate in Minnesota would be 46 percent, still a strong incentive to shelter. With a maximum Federal rate of 27 percent, the combined Federal and State tax would be reduced to 37 percent, diminishing significantly—although certainly not altogether—the incentive to shelter.

It is important to realize that under the House tax bill, which has a top individual rate of 38 percent, more of the tax cut for individuals went to those with incomes over $75,000—roughly 27.5 percent—then under the Senate tax bill—approximately 26.5 percent. Higher rates do not ensure larger tax collections from the wealthy. The Senate bill will collect more taxes from the wealthy by applying lower rates to greater amounts of taxable income than will be collected using the higher, 38-percent rate in the House bill.

So I strongly urge the conferees to not go beyond the top individual tax rate set in the Senate bill—27 percent. Mr. President, I ask that the July 14, 1986, article by Warren Brookes be included in the RECORD. I note that this is only one of many excellent articles which Mr. Brookes has written on tax reform, several of which I have now introduced in the RECORD.

The article follows:

[From the Washington Times, July 14, 1986]

Tax Reform Ambush

(By Warren Brookes)

This week, the Senate-House conference on tax reform will begin crucial deliberations. And one of the key issues facing it is the demand by the more liberal House conferees for a third, and higher, tax rate on the rich.

While this will be presented as "helping the middle class" the public should understand—as did most Senate liberals—that this is an ideological smoke screen designed to derail *real* tax reform.

Indeed, the key defender of the 27 percent top rates was liberal Democratic Sen. Bill Bradley of New Jersey, whose rational arguments defused the drive by Democratic Sen. George Mitchell of Maine to install an additional 35 percent rate. Mr. Mitchell's amendment was defeated by an overwhelming 71-29 tally.

Mr. Bradley, in support of the lower top rate, repeatedly laid out the same evidence he had first heard from an obscure supply-sider—Jeff Bell, his 1978 Republican opponent. Mr. Bell, who had "instructed him" during that senatorial election, has been a tireless lobbist for *true* tax reform on behalf of Citizens for America.

Mr. Bell, then a total unknown, upset veteran Sen. Clifford Case in the GOP primary, and gave Mr. Bradley a surprisingly good fight. He did so by laying out the simple premise that high marginal tax rates were merely an ideological "fig leaf" to cover up huge tax loopholes. These loopholes, which reduced the *actual* tax rates paid by the rich, were granted by members of Congress in return for political contributions.

The main purpose and effect of those high marginal rates was not to hurt the rich, but to get more revenues out of higher rates on the middle- and lower-income groups, who enjoyed fewer loopholes.

Thus, those high marginal rates were a merchandising "illusion," much like the "free trading stamps" prevalent in the 1950s and 1960s. With the stamp programs, merchants would raise prices for everyone, to pay for stamps and merchandise that were not received by everyone. Merchants made money on the "breakage"—the purchases by non-stamp-savers.

Americans were eventually disabused of that free-stamp illusion where discount food stores came in with lower prices for *everyone* and stamps for no one.

The whole premise of tax reform is to get rid of this free-stamp illusion by taking away all or most of those trading-stamp preferences in return for lower rates and a much broader tax base, with less income inefficiently sheltered from taxation.

Conversely, if you raise those rates, you immediately have to restore the trading stamps, i.e., the burden on capital to prevent economic damage.

For example, if you impose a 35-38 percent top rate on the rich, as the House wants to, you will have to restore the "preference" for capital gains, something liberals have tried to get rid of for years. The bill proposed by Republican Sen. Robert Packwood of Oregon passed liberal muster because it wiped out this preference; it passed conservative muster because it brought the top rate down to 27 percent, only seven points higher than the present 20 percent top rate on capital gains (with the preference).

Raise that top rate any more and the preference will have to come back, because we already have one of the highest capital-gains taxes in the world (Japan and Germany don't even tax capital gains). When that happens, the whole tax-reform house of cards caves in, and trading stamps will flood back onto the scene.

The important thing to remember is that raising the top rate actually does nothing to get the rich to pay more taxes. In fact, all evidence shows the *opposite.*

If you doubt this, consider the experience of 1981-84, when we lowered the top tax rate from 70 percent to 50. The effect on the tax payments of those earning $200,000 and more was electrifying, because it brought massive amounts of income out of shelters' back into the tax system (see table).

INCOME TAXES ON $200,000 AND OVER

[Dollar amounts in billions]

	Top rate (percent)	Adjusted gross income	Taxes paid	Effective tax rate (percent)	Percent share of total taxes
1981	70	$54.2	$21.7	40.1	7.6
1982	50	$72.6	$26.6	36.7	9.6
1983	50	$87.7	$31.7	36.2	11.6
1984	50	$112.2	$41.4	36.9	13.7

INCOME TAXES ON $200,000 AND OVER—Continued

[Dollar amounts in billions]

	Top rate (percent)	Adjusted gross income	Taxes paid	Effective tax rate (percent)	Percent share of total taxes
Percent change	−28.6	+107	+90.8	−8.0	+80.3

Source: IRS analysis, 1981–84 returns.

From 1981–84, the adjusted gross income of this bracket rose 107 percent—more than double. So even with a 29 percent cut in rates, the tax revenues from this bracket jumped about 90 percent (from $22 billion to $41 billion).

The result: cutting the top rate 20 points only cut the effective rate three points (from 40 to 37 percent), vastly increased the tax base, and nearly doubled the share of the tax burden borne by this top bracket, from 7.6 to 13.7 percent.

This experience completely justified former Democratic Rep. Bill Brodhead of Michigan, a liberal member of the Ways and Means Committee. In 1981 he proposed the immediate reduction of the top rate from 70–50, instead of phasing it down as President Reagan had proposed. Mr. Brodhead argued that "it won't cost anything, anyway." Ironically this was offered by Democrats as a compromise in return for eliminating the third phase of the Reagan middle-class tax-rate cut, which they knew would cost money.●

UNANIMOUS-CONSENT REQUEST TO SET MORNING BUSINESS ASIDE

Mr. EXON. Mr. President, the parliamentary situation, as the Senator understands, is that we are in morning business.

The PRESIDING OFFICER (Mr. WILSON). That is correct.

Mr. EXON. Therefore, in order that I might attempt to get my amendment back up once again, I ask unanimous consent that morning business be temporarily laid aside for the purpose of bringing the debt ceiling bill before the U.S. Senate.

Mr. MATTINGLY. I object.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Unanimous consent is not required. Under previous order, morning business is closed.

INCREASE IN STATUTORY LIMIT ON THE PUBLIC DEBT

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 668) increasing the statutory limit on the public debt.

The Senate resumed consideration of the joint resolution.

Pending:

(1) Gramm-Hollings Amendment No. 2223, to add a new title for balanced budget and emergency deficit control reaffirmation.

(2) Rudman Amendment No. 2224 (to Amendment No. 2223), to provide for revision of provisions of reporting responsibilities in the balanced budget and emergency deficit control process.

(3) Exon Amendment No. 2225, to express the sense of the Senate that the Congress utilize the existing "fallback"; provisions of the emergency Deficit Control Act, to require a congressional vote on specific measures to reduce the Federal budget deficit.

(4) Modified committee amendments, to provide a committee substitute on investment and restoration of Social Security funds during debt limit crises.

(5) Rudman modified Amendment No. 2226, to modify procedures under the Balanced Budget and Emergency Deficit Control Act of 1985.

(6) Exon motion to commit the joint resolution to the Committee on Governmental Affairs, with instructions.

UNANIMOUS-CONSENT REQUEST TO SET ASIDE FIRST- AND SECOND-DEGREE AMENDMENTS TO HOUSE JOINT RESOLUTION 668

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I ask unanimous consent, notwithstanding the current parliamentary procedure under which there is an amendment in the first degree, an amendment in the second degree, and an amendment of the Senator from Nebraska to refer the debt-ceiling bill back with the Gramm-Rudman amendment, that the first- and second-degree amendments be set aside so that we might consider the amendment offered by the Senator from Nebraska.

The PRESIDING OFFICER. Is there objection?

Mr. MATTINGLY. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. EXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. MATTINGLY. Mr. President, I ask unanimous consent that there be a period for routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVISED CREDIT ALLOCATIONS

Mr. MATTINGLY. Mr. President, due to a clerical error, the allocations submitted to the Senate on July 14, 1986, pursuant to section 302(a) of the Budget Act for fiscal year 1987 credit authority were incorrect. The items relating to the Committees on Veterans' Affairs and Small Business were transposed.

I ask unanimous consent that the following revised table for credit allocations be considered to be the credit allocations required by section 302(a) of the Budget Act.

FISCAL YEAR 302(A) ALLOCATIONS FOR CREDIT

[Dollars in millions]

	Direct loans	Loan guarantees
Appropriations	20,325	67,933
Agriculture, Nutrition, and Forestry	12,022	5,500
Armed Services		
Banking, Housing, and Urban Affairs	613	350
Commerce, Science, and Transportation	420	70
Energy and Natural Resources		
Environment and Public Works	205	
Finance	3	
Foreign Relations		
Governmental Affairs		
Judiciary		
Labor and Human Resources		10,585
Rules and Administration		
Veterans Affairs	962	16,312
Small Business		
Select Indian Affairs		
Grand total, conference agreement	34,550	100,750

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, there is no objection on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 9:30 A.M.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:30 a.m., on Tuesday, July 29, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY

RECOGNITION OF CERTAIN SENATORS

Mr. MATTINGLY. I ask unanimous consent, Mr. President, that following the recognition of the two leaders under the standing order there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senator HAWKINS, Senator PROXMIRE, and Senator PRYOR.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. MATTINGLY. Mr. President, I further ask unanimous consent that following the special orders just identified there be a period for the transaction of routine morning business not to extend beyond the hour of 10:30 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS BETWEEN THE HOURS OF 12 NOON AND 2 P.M.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the Senate stand in recess between the

hours of 12 noon and 2 p.m. in order for the weekly party caucuses to meet.

Following the recess, the Senate will resume debate on the question with respect to TV in the Senate. Therefore, votes will occur during Tuesday's session of the Senate.

The PRESIDING OFFICER. Is there objection to the request?

Mr. BYRD. Mr. President, reserving the right to object, it is not the plan of the minority to have its weekly party conference on tomorrow. The minority has decided to have that weekly conference on Wednesday of this week because of the funeral services that will be conducted for the late departed Averell Harriman in New York. And there will be a number of Senators on this side of the aisle who will be attending that funeral. There may be some from the other side as well.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MATTINGLY. Mr. President, following morning business, at 10 a.m., under the provisions of Senate Resolution 28, the Senate will begin debate on the question of television coverage of the Senate and shall continue with the proposed rules changes.

There are 12 hours of debate time provided under the resolution, and it is the hope of the majority leader that some of that debate time can be yielded back.

Mr. President, it is the hope of the majority leader, if the debate tomorrow can be concluded at an early hour, on Tuesday, with reference to TV in the Senate, that the Senate then would resume consideration of the unfinished business of House Joint Resolution 668, the debt limit. Consequently, the Senate could be asked to remain in session late tomorrow evening in order to make progress on the debt limit bill.

I would like to reiterate to the minority leader that the majority leader, when he comes in tomorrow morning, will make a comment as to whether the policy luncheon on this side will be held. I am sure at that time the minority leader, too, will be able to help resolve that for us.

□ 1610

Mr. BYRD. Mr. President, I thank the distinguished Senator. One of my concerns is that if the Senate is in a 2-hour recess on tomorrow to accommodate the two party caucuses, those 2 hours would not count against the 12 hours time allowed for debate on Senate Resolution 28. That resolution provides for 12 hours of debate on television coverage. I think it might be worthy of consideration that the 2 hours during the conference, if consent can be gotten, would count against the 12 hours, which would be fine on this side of the aisle, I will say at this point. I may not be here at that moment, but so far as I am concerned, that would be agreeable, that the 2 hours during the recess would be charged against the 12 hours.

Mr. MATTINGLY. Does the distinguished Senator have any other business?

Mr. BYRD. I thank the distinguished Senator. I have nothing further.

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. DOLE. Mr. President, I move that the Senate now stand in recess pursuant to the previous order.

Thereupon, the Senate, at 4:11 p.m., recessed until Tuesday, July 29, 1986, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate July 28, 1986:

DEPARTMENT OF STATE

Dennis Kux, of New York, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ivory Coast.

THE JUDICIARY

Richard B. McQuade, Jr., of Ohio, to be U.S. district judge for the northern district of Ohio vice Nicholas J. Walinski, retired.

DEPARTMENT OF JUSTICE

George Landon Phillips, of Mississippi, to be U.S. attorney for the southern district of Mississippi for the term of 4 years, reappointment.

James L. Fyke, of Illinois, to be U.S. Marshal for the central district of Illinois for the term of 4 years, reappointment.

Thomas A. O'Hara, Jr., of Nebraska, to be U.S. Marshal for the district of Nebraska for the term of 4 years, reappointment.

Arthur David Borinsky, of New Jersey, to be U.S. Marshal for the district of New Jersey for the term of 4 years vice Eugene G. Liss, term expired.

DEPARTMENT OF COMMERCE

Louis F. Laun, of New York, to be an Assistant Secretary of Commerce, vice Joseph F. Dennin, resigned.

IN THE ARMY

The U.S. Army Reserve officers named herein for appointment as Reserve Commissioned Officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3371 and 3384:

To be major general

Brig. Gen. Marvin G. Back, [redacted].
Brig. Gen. George E. Barker, [redacted].
Brig. Gen. Murray E. Cantrall, [redacted].
Brig. Gen. Joseph G. Gray, [redacted].
Brig. Gen. Roger W. Sandler, [redacted].
Brig. Gen. George J. Vukasin, [redacted].
Brig. Gen. Robert L. Wick, Jr., [redacted].

To be brigadier general

Col. Gary A. Stemley, [redacted].
Col. Richard G. Quick, [redacted].
Col. Thomas P. O'Brien, Jr., [redacted].
Col. James A. Brooke, [redacted].
Col. Howard A. Pope, [redacted].
Col. Francis T. Mataranglo, [redacted].

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of sections 593 and 8379, title 10 of the United States Code. Promotions made under section 8379 and confirmed by the Senate under section 593 shall bear an effective date established in accordance with section 8374, title 10 of the United States Code (effective dates in parentheses):

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Charles E. Amos, [redacted] (4/3/86).
Maj. Ronald R. Anderson, [redacted] (4/12/86).
Maj. Michael J. Barrett, [redacted] (4/3/86).
Maj. David O. Clark, [redacted] (3/26/86).
Maj. Kenneth G. Doane, [redacted] (4/8/86).
Maj. Ronald D. Durkes, [redacted] (4/30/86).
Maj. Edward L. Fleming, [redacted] (3/26/86).
Maj. Donald E. Goley II, [redacted] (4/6/86).
Maj. David D. Hull, [redacted] (2/24/86).
Maj. Marvin S. Mayes, [redacted] (3/31/86).
Maj. Billy N. Privette, [redacted] (3/20/86).
Maj. Stephen L. Schwab, [redacted] (3/9/86).
Maj. Donald L. Sicner, [redacted] (3/17/86).
Maj. Daniel J. Slovak, [redacted] (3/31/86).
Maj. Robert J. Spermo, [redacted] (3/16/86).
Maj. Richard E. Spooner, [redacted] (3/16/86).

LEGAL

To be lieutenant colonel

Maj. Robert I. Gruber, [redacted] (4/3/86).

CHAPLAIN

To be lieutenant colonel

Maj. Henry Edelenbos, [redacted] (3/15/86).

IN THE NAVY

The following-named Naval Reserve officers to be appointed permanent ensign in the line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

John B. Anderson
John N. Antonelli
Gerald B. Barnes
James E. Buffington, Jr.
Craig P. Burow
William R. Coogan
Jeffrey S. Coran
David B. Cortinas
Jeffrey P. Donnelly
Timothy R. Egan

Lisa M. Faraci	Stephen J. Glaser	Robert E. Leete	Claire P. Meurer	Edwin J. Ruff, Jr.	David J. Stremler
Andrew P. Finn, Jr.	Matthew W. Grandy	Matthew B. Long	Zan E. Miller	Duane J. Schatz	William E. Swayze
Paul E. Flood	Kevin P. Grimley	Brian J. Mages	Scott W.	Donald A. Semones	Jeffrey A. Tall
Richard N. Fox	Wesley J. Hines	Nathan J. Martin	Montgomery	Mark A. Sheraden	Mark A. Thurmon
Thomas A. Gawlik	Sean T. Kelly	Darvin G. Mattila, Jr.	Ray K. H. Oen	David D. Spaugh	John D. Ward
Joseph M. Giaquinto	Roger G. Lawson	Brian McLaughlin	Philip D. Parsons	Claudia A. Stevens	Robert A. Yale

xxx-xx-xxxx

EXTENSIONS OF REMARKS

MAJORITY LEADER CITES "PROGRESSIVE TRADITION" IN TEXAS

HON. J.J. PICKLE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. PICKLE. Mr. Speaker, on June 27, 1986, our respected colleague, Majority Leader JIM WRIGHT, delivered an important address to the Texas State Democratic Convention in Austin. In his speech, the majority leader traced the history of what he calls progressive and egalitarian tradition of our State.

As examples of this progressive strain in Texas' political history, the majority leader cites our first-in-the-Nation homestead law, our permanent university fund that has made the University of Texas the best endowed public university in America, the Texas community property law that granted economic rights to women, and our constitutional protection of the public waters, public beaches, and minerals.

The majority leader's speech is full of insight and wisdom, and I commend it to the attention of all my colleagues.

The text of the speech follows:

REMARKS OF CONGRESSMAN JIM WRIGHT, STATE DEMOCRATIC CONVENTION, AUSTIN, TX, JUNE 27, 1986

In this our sesquicentennial year, Texans are reflecting on our history. Our past is a rich and varied fabric sewn together by the thread of common men and women.

Texas, forged on the anvil of rebellion against a military dictatorship, has always stood for human rights. Ours is a progressive and egalitarian tradition.

Our Texas Declaration of Independence condemned what it called "the most intolerable tyranny, the combined despotism of the sword and the priesthood."

One of the strongest complaints voiced in 1836 was the lack of a system of public education.

Another was the establishment of a State Church, prompting the absolute insistence of our forebears upon freedom of religion.

Progressive laws have flowered in Texas soil from the beginning.

Our original Texas Constitution provided for public education.

It codified the common law of England as it protected people, and added the most progressive aspects of Spanish law.

Ours was the first community property state, granting economic rights to women that they had not known before in this country.

Those in the other party who quarrel about the scriptural proprieties of letting women serve on juries or hold public office should recall that Texas was first among the states to elect a woman governor.

The Texas Constitution carefully protected public waters, public beaches and minerals, that they might be used for the public good, and not exploited for private gain.

From the beginning, we established a permanent university fund and endowed two universities. Upon that original endowment, the University of Texas has become the best endowed public university in America.

The progressive tradition in Texas politics, laid down by such visionaries as San Houston and Mirabeau B. Lamar, continued through the nine year history of the Republic, through the early years of statehood, through the democratizing reforms of James Stephen Hogg, through the Great Depression of the 1930s.

It lay at the core of Lyndon Johnson's Great Society, and it endures to the present day.

Great agrarian movements have sprouted from the Texas prairie. The Grange began here. Ours was the first homestead law, forbidding the seizure of a family's property.

Texas was the second state to pass an anti-trust law.

Fully ten years ahead of the federal government, Texas forbade the use of child labor in factories.

By creating the Texas Railroad Commission, our state became the first to regulate an industry that had grown rich and powerful and abusive.

Wright Patman of Texas was the father of the Credit Union movement which made low-interest loans available to average citizens.

And Sam Rayburn was the father of Rural Electrification, of the Interstate Commerce Commission, and of the benign philosophy of government's limited but rightful role as regulator in the public interest.

This is our history, steeped in the lore of the common men and women—not some prancing, preening pretense at piety protecting entrenched privilege under the mask of "conservatism".

Texans will not permit so rich a legacy as ours to be corrupted.

As heirs of the inspiring example of those who chose with Travis to die on their feet rather than live on their knees cowering before the god of political expediency, Texans have no patience with turncoats of no fixed principle except self-aggrandizement, wiling to switch parties for personal gain.

Turncoats do not do well in Texas elections.

Descendants of men and women who risked their lives for public education and fought for a university "of the first class" will not permit the rights of our own progeny to be degraded once again to 46th among the states in education.

On education policy, Governor Mark White has made the tough decisions, not feeble excuses. He has acted in the Texas tradition, and Texans appreciate it.

Because of Mark White's educational reforms, Texas has become a model for the nation.

This state that has been first in cotton, first in cattle, first in oil and gas and petrochemicals, first in sulfur, first in wool and mohair will not rest until we're first among the states in the education of our children.

Mark White's effective promotion of high technology and the computer sciences in Texas—

His forward-looking championing of the Texas water plan;

His humanitarian health care plan;

His highway improvement program, which lays the groundwork for industrial growth and commercial expansion; and

All demonstrate to the world that Texas will not sit idly by and let the future happen to us; we'll do what's necessary to face the future head-on and shape our destiny.

That's what leadership is all about.

And leadership is what this Democratic Party is offering to our state.

We have a leadership team—Bill Hobby, Jim Mattox, Jim Hightower, Ann Richards, and all the others from the Court house to the Congress: this is a team to lead our state, with boldness and vision, into the 1990s.

At the national level, Texans are not willing to hand our credit cards and motgage our children's futures to an Administration which in six short years has added more to the national debt than was added by all previous Presidental Administrations in almost 200 years, from George Washington through Jimmy Carter.

Texans are not satisfied with a $150 billion foreign trade deficit, which erodes our industrial base, closes our factories, and export American jobs.

Texans are not content with a national energy non-policy which lets middle eastern countries manipulate prices, dry up domestic exploration, throw Texans out of work and make us ever more dependent on foreign sources.

Texans do not understand the short-sighted folly of a Republican Administration which sells oil from our Elk Hills Naval Reserve to private speculators for $6.50 a barrel and pays twice as much for foreign oil. We don't understand the folly of pulling the pipe on our marginal domestic wells and losing that production to our country forever.

Texans will not endorse an administration policy which pledges $8 billion of the taxpayers' money to bail out one big bank in Chicago but vetoes a much less costly bill to help 300,000 of America's farm families avoid foreclosures.

Texans did not think it was funny when President Regan suggested that perhaps we should "export the American farmers."

We were not amused when he said the jobless are "jobless by choice", the homeless are "homeless by choice" and that the hungry are either too indolent or ignorant to be helped.

Such callous disregard for the unfortunate may play well in elitist Hollywood salons, or in back boardrooms of Donald Regan's Wall Street, just as it might have done in the French palace of Marie Antionette. But it has no place in the streets and farms and homes of Texas!

Texans are not prepared to break the promise to our nation's elderly by invading the Social Security Trust Fund, as Ronald Reagan was prepared to do at the beginning of last year.

Texans are not willing to put our children ever deeper into debt for more and even

more Pentagon waste; or to start more wars in Central America while the Administration ignore the real causes of unrest in Central America, while powerful Republican Senate Chairmen insult the people and proud institutions of Mexico, our nearest neighbor; while undocumented workers are cruelly exploited at subminimum wages and the White House seems oblivious to the cancerous economic problems that drive them here; while the Reagan team reduces our Border Patrol, our Customs Agents and our Coast Guard and passively watches the influx of death-dealing drugs that undermine our national security.

And so Texans are lining up once more behind the Democratic banner. We are coming home to where we belong. We will support our Democratic nominees, for the Courthouse, for the State house, for the Congress.

And with your help we'll have a victory for the people in November.

BELIEVE IT OR NOT, THE SOVIETS ARE JAMMING THEIR OWN BROADCASTS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. BROOMFIELD. Mr. Speaker, the Soviets are interfering with their own English language broadcasts being beamed to England. In a period when the United States and the Soviet Union are trying to improve relations, it is unbelievable that the Soviet Union is again jamming transmissions of foreign language broadcasts being beamed to that country, and inadvertently interfering with Radio Moscow broadcasts to the West.

According to recent reports, the Soviets resumed jamming of the Voice of America and other Western radios, including the BBC, Deutche Welle, Kol Israel, and Radio Peking in 1980. This followed a 7-year cessation of jamming which began in 1973. The Soviets are so effective in jamming that they are inadvertently producing spillover which affects their own English language broadcasts going to England and other countries. I understand that the U.S.S.R. spends far more money jamming radio broadcasts than the U.S. Government spends on the entire budget of the Voice of America.

In the aftermath of the Geneva Summit last year, the United States and the Soviet Union began to work with each other in a variety of areas in the "spirit of Geneva." Both countries promised to increase mutual understanding through greater communication with each other.

As we know that expanded understanding is the only way to really attain world peace. I am amazed that the Soviet Government has chosen to continue its jamming efforts of Western transmissions beamed to that country. If the U.S.S.R. wants to gain greater acceptance with the West, it should immediately cease jamming Western radio broadcasts. In order to establish real trust between the United States and the Soviet Union, Soviet leaders must follow through on their promises, not ignore them. Confidence is built by actions, not mere words.

Broadcast jamming is an offensive vestige of the cold war. It smacks of the thought control efforts in George Orwell's "1984," and should not be necessary in the modern Soviet society that Mr. Gorbachev is trying to build up. I am confident that my colleagues will join me in questioning why jamming is still being carried on by the Kremlin:

BBC SAYS MOSCOW JAMS ITS OWN TRANSMISSIONS

The British Broadcasting Corp. said yesterday that the Soviet Union's jamming of foreign radio broadcasts resulted in some of Moscow's own transmissions being blocked.

The statement followed a complaint by Soviet Ambassador Lenoid Zamyatin Monday that Britain jammed broadcasts from Moscow aimed at Western Europe.

"The U.S.S.R. is the only country in Europe deliberately jamming other people's broadcasts and Mr. Zamyatin knows it," said BBC official Austen Kark.

He said BBC engineers had found that two of the six frequencies used by Moscow to broadcast in English were being jammed by the Soviet Union's own jammers.

THE 1986 CONGRESSIONAL CALL TO CONSCIENCE FOR SOVIET JEWRY: THE PLIGHT OF THE YAKIR FAMILY

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. GRADISON. Mr. Speaker, as part of the Congressional Call to Conscience Vigil, I would like to talk about the Soviet Union's repressive policies with regard to Soviet Jewry and the Soviet Government's persecution of one family: Yevgeny, Rima, and Alexander Yakir.

During my visit to the Soviet Union in April 1979, I had the opportunity to meet with Yevgeny Yakir and his family. Since 1973, Yevgeny, his wife, Rima, and his son, Alexander, have been waiting for exit visas to allow them to emigrate from the Soviet Union. Their request has been repeatedly denied because the Soviet Government claims that Yevgeny's occupation of mechanical engineer gave him access to "classified state secrets." As a result of his request, Yevgeny lost his job. Since then, he has made every effort to find work to avoid charges of "parasitism."

Yevgeny's life has been a difficult one. His father, Maurice Yakir, who helped to form the Red Air Force after the revolution and rose to the rank of general, was executed in 1937 during Stalin's Great Purge. Yevgeny's mother was deported to Siberia and managed to survive 16 grueling years of hard labor in the Gulag Archipelago. Separated from his mother at the age of 6, Yevgeny was raised by his maternal grandmother, under an assumed name. It was only after Stalin's death and his father's posthumous "rehabilitation" by Khrushchev that Yevgeny felt it safe to use his own name.

Shortly after the completion of his studies at the Moscow Technical Institute in 1977, Yevgeny's son, Alexander, received notification that he would be drafted into the army. It is well known that military service causes serious problems for a Soviet Jew seeking permission to emigrate as it enables the government to continue to deny the request on grounds that, because of his military service, he is in possession of state "secrets." Fearing that army service would seriously limit his chances for receiving an exit visa, Alexander went into hiding. In December 1977, a criminal case was opened against Alexander Yakir for evading conscription.

Alexander declared that taking an oath of loyalty to the army would be a direct betrayal of his principles and continued to avoid conscription until 1984 when he was arrested for draft evasion. In June 1984, Alexander was sentenced to 2 years in a labor camp. He was released last month and is now living with his family in Moscow.

The Yakir family has been the target of unjustified persecution by the Soviet Government. After waiting more than 13 years to emigrate from the Soviet Union, it is only right that the government should grant their request. Continued rejection of their request for exit visas is a flagrant violation of the Helsinki Final Act of 1975 and the Universal Declaration on Human Rights of 1947 to which the Soviet Union is a signatory.

NATIONAL CRUSADE AGAINST DRUG ABUSE ESSAY CONTEST—NEW JERSEY 10TH CONGRESSIONAL DISTRICT WINNERS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. RODINO. Mr. Speaker, I am pleased to include in the RECORD several compositions from the 10th Congressional District of New Jersey, which were submitted for consideration in the essay contest sponsored by the National Crusade Against Drug Abuse and the National Conference of State Societies. This contest was brought to my attention by our distinguished colleagues, CHARLES RANGEL and BENJAMIN GILMAN, the chairman and ranking minority member of the Select Committee on Narcotics Abuse and Control. I commend them for initiating this innovative project.

Sixth-grade students wrote in 50 words or less, their views on "What I Would Do If Offered Drugs." I was very pleased with the number of students who participated. As you are aware, I have long been concerned with the problem of drug abuse and feel that we must educate the youth of our Nation to prevent the loss of a generation.

There were many excellent papers from the various towns in my district. The prize-winning essay was written by Simone Mack and will compete with those by other sixth-grade students throughout the United States.

Following are the top five compositions selected for printing in the RECORD. The first one by Simone Mack will be forwarded to the National Crusade Against Drug Abuse for the nationwide contest.

Simone Mack, Mrs. Webster's class at Sussex Avenue School in Newark, New

Jersey, wrote: "If I was offered drugs I would say, 'No.' I was offered drugs before my friend gave me a joint and I gave it back. She called me a 'Punk,' and said, 'I was soft and to keep away from her'. I left and played jump rope with my other friends. I told my friend's mother and she got in trouble. The next day she wanted to fight me, but I didn't want to fight her so I ran home. I stopped being her friend, I was better off without her."

Sharonda Whittle, Mrs. Callender's class at John L. Costley, Sr., School in East Orange, New Jersey, submitted the following: "If I was offered drugs, I would say No! Drugs are harmful for people. Drugs can delay a person's reaction time. Drugs can stop people from thinking. And if a person offered drugs to me, I would run to an adult that is nearby and tell them."

Tamara Franklin in Mrs. Pucciarello's class at Augusta Street School in Irvington, New Jersey, said: "If I were offered drugs, I would say 'no', go and tell someone I really trust. Dealing drugs is against the law. People who deal drugs should be put in jail for life. People know better. Winners say 'no' to drugs. The power is in your hands."

Kristine Christian, a student in Mrs. May's sixth-grade class at Newark's Bragaw Avenue School, stated: "If offered drugs I would simply say 'no' or ignore the offer. However, if a friend, schoolmate, or even a familiar adult tried to pressure me into taking drugs, the situation would be harder to walk away from. Therefore, I might reason with that person and try to get him or her to realize how he or she is ruining his or her life. In essence, from the conduct observed of drug users it is unlikely that I would ever take drugs."

From *Belleville, New Jersey's School No. 7, Jason Gonzales of Mrs. Zapantis' class,* said: "It is a horrible feeling and event to be offered drugs. I would say 'no' to the dropouts. These losers are dropping out of life. They want the easy way out and are scared of life. If I was at a party and people were taking this rubbish, I would call the police and leave. I would say 'Do something useful with your life!' "

Although these students are only 12 years old, they are aware of the dangers of drug use. They realize that you will not achieve any accomplishments, that you are breaking the law, and that drugs are harmful to your health. While communities throughout the country have drug educational and awareness programs, we, the Congress, must do all we can to see that all our children and young people realize the hazards involved in drug abuse.

Mr. Speaker, during hearings held in Newark on April 11, 1986, by the Select Committee on Narcotics Abuse and Control, we learned that many elementary school students, some as early as second and third grade, are offered drugs by fellow students. Because the peer pressure to use drugs is enormous, we must ensure that our young children are sufficiently warned as to the dangers of drug abuse. For this reason, I have sponsored legislation, H.R. 4155, to ensure that sufficient resources are provided by the Federal Government for drug abuse education programs.

In my judgment, we must declare an all-out war on drugs which balances both the need to reduce the supply of drugs produced in foreign countries as well as the demand for drugs in this country. It is precisely for this reason that I have also introduced legislation, House Joint Resolution 631, calling upon the President to convene a White House Conference on Narcotics Abuse and Control.

Only through such a conference, with the President asserting his personal leadership and influence, can we bring together the best minds in this country to focus on the serious national problem of drug abuse and to assist the President in developing a comprehensive and effective strategy to deal with it.

Since the war against drugs is essential to preserve our families and neighborhoods and to prevent our young people from being imprisoned by drug abuse, I strongly believe that every resource at our disposal must be made available to combat this serious national problem.

MR. STRATTON'S VOTE ON NICARAGUA

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. COURTER. Mr. Speaker, our colleague from New York, SAMUEL S. STRATTON, has distinguished himself in this House for resolutely supporting our national defense. But Americans and American soldiers are not the only beneficiaries of Mr. STRATTON'S resolution. Fighters for freedom—and against Communist internationalism—in Angola and Nicaragua also look to the gentleman for political and military support.

In an important letter to the New York Times dated July 17, Mr. STRATTON has explained why national defense is not a partisan issue. Members of both bodies who have not seen the letter will find it reprinted below. It concerns much more than one vote on Nicaragua.

[From the New York Times, July 23, 1986]

CONTRA AID IN THE HOUSE WASN'T "ME-TOOISM" BUT BIPARTISANSHIP

TO THE EDITOR: As one of the 51 Democrats who supported the Reagan program for contra aid in Nicaragua, I take exception to the political advice offered me and 50 of my House Democratic colleagues by Prof. Arthur Schlesinger (Op-Ed, July 6). He referred to us as "me-too Democrats."

Mr. Schlesinger's diatribe demonstrates that his partisanship has outrun his grasp of recent history. Since when is it a sin for Democrats to rise above partisanship when grave issues of national concern are at stake? Is our party so moribund that we must vote only along party lines, defy our consciences and ignore our own perception of a growing, national threat to the principles we espouse in Central America, as Nicaragua closes down its only independent newspaper and expels an eminent Roman Catholic bishop?

Mr. Schlesinger betrays a curious cynicism with regard to his party's elected representatives: "A few of the 51 may actually believe that aid to the contras is sound policy on the merits," he says, "but I doubt that this was a significant motive."

Mr. Schlesinger forgets the classic case of bipartisanship in foreign policy that President Reagan cited in his address before the latest House vote. Mr. Reagan's March 16 television address on contra aid was delivered 39 years almost to the day that President Truman went before a joint session of Congress for military and humanitarian aid to save Greece and Turkey from Communist infiltration pouring into those two countries from Yugoslavia and Albania.

The Congress to which Mr. Truman was pleading was the same "Republican do-nothing 80th Congress" that Mr. Truman criticized so sharply during his 1948 campaign. Yet that same Congress promptly provided the funds Mr. Truman had asked for. Incidentally, I never heard a single Democrat who faulted Harry Truman for blocking Communism in Greece and Turkey!

If a Republican Congress can accede to an urgent, national security concern advanced by a Democratic President, why is it a crime for Democratic Congressmen to accede to a national security concern cited by a Republican President? The Truman concern was half a globe away, while President Reagan's concern over Nicaragua is only two driving days from the U.S. border.

The American people reject another Cuba in the Caribbean. Yet Cuba is only an island: Nicaragua is a part of the main.

Mr. Schlesinger's ill-advised complaint sounds more like the dictates of some 19th-century Tammany boss than the reasoned conclusion of a college historian.

Unfortunately, on far too many of the defense issues and foreign-policy issues in the 99th Congress, the Democratic leadership has acted along narrow, partisan lines. This is clearly not something that is likely to be helpful to our party in the crucial election of 1988, I will advise Mr. Schlessinger.

SAMUEL S. STRATTON.

DENISE WLODYKA RECEIVES ENSERCH ENGINEERING EXCELLENCE INTERNSHIP

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. BOLAND. Mr. Speaker, as many of my colleagues know, ENSERCH, one of the Nation's foremost engineering and construction firms, has begun a program which allows collegiate engineering students to do summer internships with Federal agencies. I am pleased to inform the House that one of my constituents, Denise Wlodyka of Three Rivers, MA, was among the first recipients of an ENSERCH engineering excellence internship.

Ms. Wlodyka, a student at Rensselaer Polytechnic Institute [RPI] who plans to pursue a career as an environmental engineer after graduation, has been working for the Environmental Preotection Agency [EPA] for the past 2 months. At EPA she has supported the efforts of professional specialists at the Environmental Protection Agency [EPA] by analyzing and reporting program data. Her position has allowed her to gain experience in the practical application of procedures, testing methods, and techniques, as well as familiarize herself with EPA's regulations, policies, and decisions.

Denise's interest in the field of engineering surfaced in high school. As an outstanding student in both science and math, she received the Bausch and Lomb medal and the RPI medal. In addition, she was the recipient

of the National Scholar Athlete Award, the RPI medalist scholarship and was named to the Massachusetts Girls' State Representative Board.

Throughout high school and her 3 years of college, Denise has successfully combined academics, athletics and extracurricular activities. She is a member of the women's varsity soccer and softball teams, and is a softball representative to the Women's Athletic Association. The dean of students at RPI has appointed Denise to the steering committee for winter and summer student orientation and for parents' weekend. She is also a member of the RPI Constitution Convention, a group of students charged with revising and reviewing the constitution of the student union.

Ms. Wlodyka is a dedicated, hard-working student; and she should be proud of her accomplishments. At this time I would like to congratulate her on her selection as an ENSERCH intern and wish her the very best as she enters her final year of college.

PERSONAL EXPLANATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. GILMAN. Mr. Speaker, I was unavoidably detained on July 24, 1986, and missed rollcall No. 251. Had I been present I would have voted "Aye" on final passage of H.R. 5175, making appropriations for the District of Columbia for fiscal year 1987.

RELIGIOUS RIGHTS IN ROMANIA

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. MICHEL. Mr. Speaker, I'm glad to join my colleagues in bringing to the attention of the House the human rights situation in Romania.

Ordinarily, I would not have a special interest in this topic, except in the general concern we have for human rights everywhere. But it so happens that during recent years I have followed with personal interest the activities of the Romanian Government in its treatment of religions in that country.

Members of the Church of the Nazarene, of whose American branch I am a member, have informed me of the difficulties undergone by members of that church in Romania. My most recent information is that while things have not improved for members of that church, they are at least receiving aid packages from the United States and have not been directly persecuted recently by Romanian officials. This is not what I call human rights improvement because under a totalitarian regime the pressure of persecution can start again when it suits the rulers. But, as of this moment, members of the Church of the Nazarene, a small church dedicated only to prayer and good works, are receiving aid which is at least something to be thankful for.

In years past there have been open attacks on members of this church in the state-controlled press and aid sent from the United States never reached its intended recipients.

In President Reagan's message to the Congress, June 3, 1986, he said:

I share the strong concerns manifested among the public and in the Congress regarding the Romanian Government's restrictions on religious liberties. In consequence, we have urged the Romanian Government to adopt a more humane approach by taking steps such as:

Releasing jailed religious activists such as Constantin Sfatcu and Dorel Catarama;

Allowing substantial legal importation or domestic printing of Protestant Bibles and permitting their legal distribution;

Easing administrative restrictions against Nazarenes, "unofficial" Baptists, and other groups that are not officially accepted by the Romanian Government; and

Easing measures that discourage construction or repair of churches and have allowed, in roughly eight cases in recent years, their demolition on grounds of alleged building code violations.

We welcome the freeing of Constantin Sfatcu and Dorel Catarama from prison, but are otherwise disappointed by the Romanian Government's response to our concerns in this area.

I believe that men and women of good will can disagree on the questions of whether or not extending most-favored-nation status to Romania helps or hurts religious freedom and human rights in that country. The President believes "existing access and influence" of the United States can be preserved by extending MFN status since, in his words "extension of MFN has facilitated American citizen's access to co-religionists in Romania as well as the flow of several million dollars worth of material assistance to them each year."

We have to keep checking on the progress—if any—being made by the Romanian Government in its treatment of religious groups. There may well come a time, if the situation does not democratically improve, when the Congress will take another look at MFN status. It is up to the Romanian Government to prove that it takes our concerns seriously.

H.R. 4782

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. TAUZIN. Mr. Speaker, I wish to express my appreciation to the House for their swift passage last week of H.R. 4782, which designates the U.S. Post Office Building under construction in La Place, LA, as the Gillis W. Long Post Office Building.

Gillis Long was one of the finest public servants the State of Louisiana ever produced. He compiled an outstanding record of service to Louisiana and the Nation as a member of the House Rules Committee, chairman of the Democratic Caucus, and a member of the Joint Economic Committee. It is truly fitting that a Federal building in his home State be designated as a memorial to him. By passing this bill we have honored Gillis' memory in a most appropriate manner.

CHILD CARE: CRUCIAL COMPONENT OF WELFARE REFORM

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. MILLER of California. Mr. Speaker, Congress has an opportunity to participate constructively in future policy discussion regarding welfare reform. The atmosphere is receptive to real and positive change. We can't move forward in the discussion, however, without recognizing that a sound, national child care policy is an essential component of welfare reform.

New evidence of the relevance of child care to this discussion was included in a recent study by the National Social Science and Law Center exploring barriers to employment for single mothers receiving AFDC benefits in Washington State.

This survey demonstrates that women on AFDC do want to work. However, significant barriers prohibit many of them from participating in job training programs, completing their education, or seeking and maintaining employment. One of the primary barriers is lack of child care.

Nearly two thirds of the respondents cited difficulty with child care responsibilities as a primary problem in seeking and keeping a job. In addition, over half of the women reported that the costs associated with working, including the cost of transportation, clothing, and child care present additional difficulties in participating in the labor market.

Seventy-six percent of the women in the survey who had essentially given up looking for work cited child care difficulties as preventing their search for, or attainment of, employment.

Almost 90 percent of the women surveyed had children under age 12—more than half had children under age 6. When away from their children, the majority of these women relied upon friends or relatives to care for their children. More than half paid for these services. Over one-fourth, however, indicated that they were dissatisfied with their current child care arrangement, primarily because of limited availability.

There are innovative programs that we can look to as models that are tackling the issue of child care in their efforts at welfare reform.

The Wall Street Journal reported last week on state welfare reform efforts, specifically noting their child care components. For example, the Massachusetts Employment and Training Program [ET] spends half its budget on subsidies for participants' child care expenses. It's proving to be worth the investment. As Charles Atkins, the State public welfare commissioner told the Journal, "for every $1 invested in ET, $2 is saved in reduced welfare benefits and increased tax revenue."

As Congress considers ways to enable low-income families to move out of poverty and away from welfare dependency, I urge my colleagues to take heed of the mounting evi-

dence that child care plays a crucial role in helping AFDC recipients find an avenue out of the cycle of poverty.

TRIBUTE TO FREDERICK TOOT OF THE PITTSFIELD YMCA, PITTSFIELD, MA

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. CONTE Mr. Speaker, I wish to take this moment to acknowledge the dedication which Frederick P. Toot has exhibited toward the Pittsfield community as executive director of the Pittsfield YMCA.

During his 8½ years in Pittsfield, Mr. Toot has made an invaluable contribution of his time, management skills, and concern for people in promoting the "Y's" activities. Responsible for administering every program provided by the Pittsfield YMCA, Mr. Toot always has strived to participate personally in "Y" events, including the summer camp. His dedication and zest for his job aided the Pittsfield "Y" in doubling its membership to about 3,000 and in doubling its budget to nearly $1 million. The "Y" also mounted a successful capital fund drive and built a major addition to its North Street building under Mr. Toot's direction. It is not surprising that Frederick P. Toot is a recipient of the Professional "Y" Director's Administrative Excellence Award.

Mr. Toot has a long history of altruistic service to the Pittsfield community. He was past president of the Pittsfield Rotary Club and received its 1986 Donald G. Butler Award for Leadership. He was a trustee of South Congregational Church, a board member of the Council on Aging, treasurer of the Pontoosuc Lake Advisory Committee, and a member of the Pittsfield Economic Revitalization Commission, and the Pride and Awareness Committee of the Central Berkshire Chamber of Commerce. Also, he has served on the board of United Way and on a variety of United Way committees. His dedication and commmitment to the city of Pittsfield will long be remembered and most certainly will be missed.

Mr. Toot is stepping down from his position as executive director of the Pittsfield YMCA but he is not retiring from the "Y" organization. Soon, he will take on a post with the Central and Northern Westchester YMCA in White Plains, NY. I am certain that he will provide the same energy and commitment to the White Plains community as he has to the people of Pittsfield.

Mr. Toot, we salute you for a job well done.

BAYOU SAUVAGE URBAN NATIONAL WILDLIFE REFUGE

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. BREAUX. Mr. Speaker, I, along with Mrs. BOGGS, have introduced legislation today to establish a national wildlife refuge within the boundaries of the city of New Orleans, LA. The Bayou Sauvage Urban National Wildlife Refuge, as it will be called, will encompass approximately 19,000 acres of wetlands and other wildlife habitat. Despite the fact that it is in close proximity to the largest urban area in Louisiana, it contains some remarkable waterfowl habitat, wintering more than 40,000 birds annually as well as hosting a wide variety of shore and wading birds. There is also a sizable deer herd that uses the area, as well as otters, raccoons, and other furbearers. Finally, the area is also home to thousands of alligators and it serves as an important nursery area for shrimp, crabs, and many species of fish.

Mr. Speaker, the Bayou Sauvage area is unique wildlife habitat and would be a welcome addition to the National Wildlife Refuge System even if it were not located within the boundaries of a major urban center. Its location, however, makes it even more special. The opportunities for using the area as an environmental education center will make it valuable to people as well as to wildlife. As I have stated many times before, we have long undervalued wetlands. Swamps, marshes, and bogs have been for us wastelands, too often altered to provide what we considered to be a higher use. Too late we are realizing that these areas provide us with nursery grounds for important fishery resources, for fisheries, habitat for waterfowl and other wildlife, provide flood and hurricane protection, abate pollution and carry out many other complex functions. The Bayou Sauvage Urban Refuge can serve as an environmental education center for the people of New Orleans and throughout the South, helping us to better understand the value of our dwindling wetlands.

The refuge will also provide an opportunity for public recreation and we anticipate that, once developed to attract and educate visitors about wildlife, it will draw thousands of visitors who want to fish, view wildlife and, hopefully, develop an appreciation for the incredible diversity and productivity of Louisiana's wetlands.

Finally, Mr. Speaker, the Bayou Sauvage Urban Refuge will be unique because of the way it is established. Too often, it seems public officials are drawn into fights between developers and environmentalists, trying to find an often unattainable balance between protection of the environment and economic development. Several months ago, we seemed to be heading for just such a confrontation. The area is owned by South Point, Inc., which planned a major development in the area. The development was opposed by the environmental community, both on a local and national level. Lawsuits were threatened and it looked like we were going to be faced with another confrontation. But cooler heads prevailed and people started talking—and listening.

While the final details of an agreement have not been worked out, South Point has made a unique offer. They announced that they are willing to convey most of the property they own to the U.S. Fish and Wildlife Service for the Bayou Sauvage Urban National Wildlife Refuge. They are also willing to work with the city of New Orleans, the environmental community and other interested parties on a plan to develop, in an environmentally sensitive manner, the areas not included in the refuge. We are working with the parties involved and expect that final resolution of the remaining issues can be achieved in the next several weeks.

Mr. Speaker, we have introduced this legislation even though the final agreements have not been reached because, quite frankly, time is of the essence. It is essential that this legislation pass in this session of Congress. We expect to bring this legislation, perfected by the committee process, to the floor in September.

TRIBUTE TO MR. HERMAN BROTMAN

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. ROYBAL. Mr. Speaker, I rise today in remembrance and veneration of the deceased Herman Brotman, a well-respected contributor to the fields of social and health policy and gerontology.

Mr. Brotman was a warm, generous, and hospitable person who had an insatiable zest for life. Although Mr. Brotman is known for his many accomplishments, he is often remembered for the little things such as taking vegetables from his garden to the nearby shelter, inviting people over to his house for poolside policy debates and accompanying frail senior citizens to vote. In fact, he often visited senior centers to share his knowledge of Social Security and Medicare or to demonstrate the use of special garden tools created for the frail elderly.

Mr. Brotman was a very friendly, outgoing man, sharing his great wisdom and experience with many people ranging from students to Senators. He took great interest in the ideas of others and pride in their accomplishments, many of which were due in great part, to his help. Herman Brotman was also articulate and open, in constant exchange of ideas with others. Although he was never a teacher in the formal sense, his ability to simplify difficult concepts and his enthusiasm for teaching served him well as a guest lecturer at colleges around the country. In fact, he has been considered a mentor to many people, including some of the leaders in the executive and congressional branches of Government.

Herman Brotman came to Washington, DC in the mid-1930's and has served in many important positions in Government. He worked as advisor to several Secretaries of Health and Human Services where he helped shape domestic policy. He also served as chief statistician on the aging and advisor to several of the Commissioners of the Administration on Aging until the mid-1970's. Mr. Brotman played a central role in planning and organizing two White House Conferences on Aging. Also, his involvement with Congress, conceptualizing and drafting the Older Americans Act has won him much recognition and respect.

After Mr. Botman's retirement in the late 1970's, he was very active with the House and Senate Committees on Aging. He continued his involvement with State units on aging,

observing and analyzing the impact of Federal legislation such as the Older Americans Act on programs for the elderly. Herman Brotman's sensitivity to the plight of older women led him to help establish the Older Women's League. Probably one of his most remembered accomplishments is the congressional report entitled "Every Ninth American," a compilation of information and data on the aging used extensively by the Congress and the general public.

Mr. Speaker, it has been a great honor to deliver this tribute of Mr. Brotman on behalf of all those who knew him and respected his pioneering work.

CONCERNS FROM A SMALL BUSINESSMAN ABOUT THE TAX REFORM ACT OF 1985

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. HUBBARD. Mr. Speaker, I would like to point out a timely and informative letter from a constituent and friend of mine, William Usher of Paducah, KY. Bill Usher is chairman of the board of the National Tank Truck Carriers, Inc.

Mr. Usher raises objections to the elimination of the investment tax credit provisions in H.R. 3838, the Tax Reform Act of 1985. Mr. Usher highlights the adverse impact the elimination of the investment tax credit will have on his and other small businesses. I encourage my colleagues to read this letter and keep it in mind when final review of H.R. 3838 takes place.

JULY 22, 1986.

Hon. CARROLL HUBBARD,
U.S. House of Representatives, Washington, DC.

DEAR CARROLL: While I have often contacted you on a constituent basis, please note that—in this instance—I am writing as Chairman of the Board of National Tank Truck Carriers, Inc. (NTTC). NTTC is the trade association of my industry. More importantly, 80% of its members are categorized as "small businesses" by SBA.

Frankly, I am very concerned over both: (1) many provisions of the Senate Finance Committee's version of tax reform legislation; and (2) the "steam-roller" atmosphere of political support behind that version.

As to my prime area of concern, please note that the Senate Finance Committee version would eliminate the Investment Tax Credit. Unlike large corporations, I do not buy equipment to leverage my tax position. I buy equipment because I need it to serve my customers and because highway safety mandates that I put modern equipment on the road. Wholesale loss of ITC's is a significant threat to my cash position.

Unlike larger companies, I cannot demand favorable financing terms, write-off foreign taxes, wholesale use of ACR's, etc. Yet, I must compete with either the threat or reality of those "giants" buying their own trucks in lieu of my services.

As an alternative, may I suggest that consideration be given to a $50,000 cap on the ITC, with the cost retention being added to the corporate tax rate. Such a provision would retain the balance of the new tax proposal, but would still retain some competitive equity between large and small corporations.

My same concerns relate to the concept of the minimum tax. I have read the same headlines ("XYZ Company Pays No Taxes") that initiated Congressional action in this area. It would appear, however, that the Senate Finance Committee has elected to perform some needed surgery with a chainsaw. When a small business finds itself in a "no tax" position, it does not mean that he or she has manipulated the tax code. Generally, it does not mean that the business is in financial distress, is not generating income and should not be paying taxes. Similarly, it may be a new business, in which the investors are willing to accept some "start up" losses in exchange for future equity. To cause such businesses to dig deeper in their pockets (to pay the minimum tax) can only retard hopes for financial survival and/or hasten the demise of many promising enterprises.

Lastly, Carroll, it would appear that between the media and representatives of big business we are witnessing a lemming-like rush to so-called "simplicity and reform". What I see is a hasty patchwork effort that produces more political heat than light. I respectfully suggest that neither Usher Transport, nor my industry (nor, the State of Kentucky) is representative of the "service oriented" economy this bill is intended to serve.

Thank you for your consideration of "my side" of this very important issue.

Best personal regards.

WILLIAM USHER,
Chairman of the Board.

A TRIBUTE TO JEFFREY L. WHITMER

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. GEKAS. Mr. Speaker, today I would like to recognize the achievement of Jeffrey L. Whitmer, a constituent of mine from Selinsgrove, PA. On July 27, 1986, Jeff received the prestigious Boy Scout Eagle Award. Jeff was recognized for his unselfish contributions to his community and country. To fulfill the requirements of this award, Jeff, a member of Scout Troop 401, organized a very successful road race for the benefit of the Port Trevorton Fire Department Quick Response Squad.

Jeff, a recent graduate of Selinsgrove Area High School, has also shown his enthusiasm in school activities. He was active in basketball, track, and cross country and he was a member of the French Club, the Outdoor Club, a participant in the junior class play and a member of the National Honor Society. He is also an active member of St. Pius X Church as an alter server and a member of the youth group. He will be attending Penn State University at State College this fall to pursue a degree in sport and exercise science.

Jeff has set an excellent example for the rest of us to follow. His achievements are monumental and he should be congratulated for earning this distinguished award. I am honored to have an individual like Jeff in my district and wish him luck in all that he undertakes.

H.R. 4090—BIG CYPRESS NATIONAL PRESERVE ADDITION

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. LEWIS of Florida. Mr. Speaker, thank you for the opportunity to rise in support of H.R. 4090, the Big Cypress National Preserve addition. This important legislation, which I introduced, is cosponsored by the entire Florida delegation and has received widespread praise and broad, bipartisan support.

This bill provides a unique opportunity to acquire and protect a major land area in southwest Florida for an important addition to the Big Cypress National Preserve.

There is absolutely no doubt that this bill is an important piece of environmental legislation, but it is also vital to recognize that it is much, much more. For as surely as wildlife in the Everglades are linked to the wetlands for their survival, so are the growing urban populations of south Florida dependent upon these same wetland areas as recharge sources for drinking water. This legislation is needed to help insure that south Florida's water supply will have a chance to keep pace with its population increases.

Of unquestioned environmental importance and beauty, this area is one of the few remaining large parcels of pristine land left in Florida. It is part of the watershed of the Big Cypress Preserve and Everglades National Park and is habitat for a wide variety of plants and animals. This land is home to the Florida panther, the bald eagle, native orchids, and many other species now at risk.

The land which H.R. 4090 seeks to acquire is comprised of wetlands, cypress swamps, and hardwood hammocks. The addition of these lands to the Big Cypress National Preserve would provide a much needed buffer zone for Everglades National Park, a State resource and national treasure.

As Florida has experienced rapid growth, the supply of land available for public use and enjoyment has diminished. The addition of this large block of land would help satisfy a variety of public needs, not just for Floridians but for the State's millions of visitors.

Because of the significant public benefit associated with the acquisition of this land, I, my Florida colleagues, and members of the Interior Committee believe this is a task worthy of congressional attention. Therefore, I urge passage of H.R. 4090, the Big Cypress National Preserve addition.

THE CYPRUS PROBLEM: GETTING TURKISH SOLDIERS OUT IS THE FIRST STEP

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. BROOMFIELD. Mr. Speaker, I am greatly disappointed with the results of the latest U.N. efforts to resolve the basic issues re-

garding the Cyprus problem. Getting Turkish troops out of northern Cyprus now is the first step the United Nations should take to resolve this complex and tragic issue.

It is clear to me that a new and bold peace initiative is needed by the United Nations. I urge Secretary General Perez de Cuellar to restudy his recent peace plan with the idea in mind of focusing on the Turkish troop issue. The United Nations must make the overall draft framework agreement more sensitive to the legitimate concerns and point of view of the Greek Cypriots.

As my colleagues well know, Turkey invaded northern Cyprus in 1974. Why are the Turkish soldiers still there? Is there a large Greek military presence on the southern part of the island? Does the Greek Government threaten to attack northern Cyprus? Is there fighting between the northern and southern sectors of the island? We all know the answers to those questions. There is simply no good reason why thousands of heavily armed Turkish soldiers must remain on Cyprus. Even the Turkish Cypriots in the north find the Turkish troops offensive.

The tragedy of Cyprus continues. Thousands of Greeks have been displaced from their homes in the northern part of Cyprus. They have lost their property and business. Over 40,000 Turkish settlers from the Anatolian region of Turkey were brought into northern Cyprus to occupy former Greek homes and farms. An economically strong and active part of Cyprus was illegally taken by the current Turkish occupation government. Hundreds of young Greek Cypriots are still missing and presumed to be dead after they were taken prisoner in the 1974 fighting. A young Michigan resident, Andrew Kassapis, is among the missing. To add insult to injury, the Turkish Prime Minister, Mr. Ozal, visited northern Cyprus in recent weeks. His visit to the occupied zone has dealt a serious setback to the Cyprus peace process. Mr. Rauf Denktash celebrated the occasion by closing the crossing points between the Turkish occupied zone and the Republic of Cyprus which are now manned by U.N. units. After threatening to permanently close the crossing points, Mr. Denktash reopened them.

Unfortunately, the United Nation's recent peace initiative have ignored many of the vital concerns which Greek Cypriots now have. They are legitimately concerned about being compensated for their losses and want to regain their lost homes and lands. They want to be able to cross the dividing line to visit friends and family in the northern area. There are many other wrongs which they want to have righted.

Our Government must actively work with the United Nation in making future peace plans more realistic vis-a-vis the perspective of the Greek community on Cyprus. Our Government must make it perfectly clear both to Secretary General de Cuellar and to the Turkish Government that the first step in the peace process must involve the removal of Turkish occupation troops. In addition, reestablishing the office of Special Coordinator for Cyprus in the Department of State would be a step in the right direction on the part of our Government. Let us hope that the removal of those forces will be a welcome first step on the long road to peace on Cyprus. Now is the time for a new U.N. initiative for peace.

RECAPITALIZATION OF THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. GRADISON. Mr. Speaker, the House Banking Committee currently has before it H.R. 4907, a bill that provides for the recapitalization of the Federal Savings and Loan Insurance Corporation [FSLIC]. I want to call your attention to serious flaws in this bill, as amended on July 17 by the Subcommittee on Financial Institutions Supervision, Regulation and Insurance.

My main concerns are these:

First, design of the FSLIC bailout copies the features of the now-collapsed savings and loan insurance structures in Ohio and Maryland. The bill would establish a nominally private and substantially undercapitalized insurer for the Nation's S&L's.

Second, the plan is budget gimmickry. The plan qualifies, barely, for off-budget status due solely to a minor, highly technical change. The substance of the plan—borrowing by the Federal Government—remains unchanged.

Third, the amount of the debt infusion to FSLIC—$15 billion—is inadequate. This ensures that the Congress will have to revisit the issue when the cost will be much greater.

Fourth, the proposed legislation does not include needed operating rerforms, such as changing the system for monitoring taxpayer exposure.

Fifth, this proposal could result in a weaker system of savings and loans as strong S&L's opt out of the system to avoid future assessments.

In short, Mr. Speaker, H.R. 4907 in its current form is inadequate to the task.

A RELIGIOUS LEADER CORRECTS THE RECORD ON EL SALVADOR

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. BARNES. Mr. Speaker, on May 14, the Subcommittee on Western Hemisphere Affairs held a hearing on the air war and political developments in El Salvador. Among those submitting testimony was His Eminence, John R. Quinn, Archbishop of San Francisco. Although Archbishop Quinn was unable to appear in person, his statement was read by an associate, Ms. Eileen Purcell.

An administration witness also appeared, and misrepresented the situation in El Salvador in several ways. Archbishop Quinn has written me to correct the record. I include Archbishop Quinn's letter at this point and urge all my colleagues to give it their careful attention.

The letter follows:

ARCHDIOCESE OF SAN FRANCISCO,
PASTORAL CENTER,
San Francisco, CA, June 30, 1986.

Mr. MICHAEL D. BARNES,
Chairman, Subcommittee on Western Hemisphere Affairs, House of Representatives, Washington, DC.

DEAR REPRESENTATIVE BARNES: I would like to thank you for your invitation to testify at the hearing on May 14th. It was unfortunate due to constraints of time and my schedule that I was not able to appear personally.

After reviewing the testimony and speaking with Ms. Purcell, I would like to bring several points to your attention that were disturbing to me.

1. The Administration consistently involved the name of "The Church of El Salvador" as fully endorsing its policies of military and economic aid to El Salvador. Bishop Rosa y Chavez, the August 1985 pastoral letter of the Salvadoran Bishops, and "Orientacion" were repeatedly quoted as the basis for claiming that:

a. There are no civilian victims of bombing by the military in Guazapa or anywhere else in El Salvador, let along incidents of repression.

b. Democracy has returned to El Salvador and the situation is markedly improved in the area of human rights, political freedom, and land reform; the war is under control and the FMLN is retreating.

They added that any reports to the contrary are a function of a FMLN disinformation campaign that has reached into the United States.

I believe that this is a misrepresentation of the Church's position in El Salvador. To the contrary, Archibishop Rivera y Damas has been clear about denouncing the bombings and has been quite clear about asking for a cessation of the violence, especially that directed against civilians. The Church has a difficult role in El Salvador. It is not helped when its good name is used by our Administration to give support for its policies. This is strikingly similar to the misinformed use of the name of Pope John Paul II in the Contra Aid debate some time ago.

2. Elliott Abrams charged that *Tutela Legal* "lies" and distorts the truth, misrepresenting statistics in order to benefit the guerrillas. He said further that *Tutela Legal* did *not* represent the Church "since it doesn't even have a priest on the staff."

Marie Julia Hernandez, the Director of *Tutela Legal*, is a competent and knowledgeable woman with the full confidence of Archbishop Rivera y Damas. Accusing her of lying is an attack on the integrity of the Archbishop himself. It is shocking to see to what lengths the Administration will go in order to discredit those who disagree with it.

3. After hearing my testimony about continuing human rights violations in El Salvador, Elliott Abrams noted that it was evidence of the "growing distance between the Church of Central America and the Church of the United States."

Nothing could be further from the truth. The relationship between our two Episcopal Conferences is strong and communication between the two is frequent. Attempting to drive a wedge between the Church bodies is another example of an unfortunate policy grasping at unconscionable means to achieve its ends.

4. Mr. Abrams used Guazapa and Operation Phoenix as prime examples of the military's newly achieved professionalism and respect for human rights and the extent of

disinformation. It was also implied that the civilians who do get caught are sympathetic with the guerrillas and further implied that this made them legitimate targets.

The movement by some in this Administration to "change the rules of war" to the extent that civilians become appropriate targets is appalling and, indeed, frightening. This goes against every International accord and moral law. It is a disconcerting development that will affect our future as a nation and will have consequences on the future of our planet. It could be viewed as an opening, for example, to use weapons of mass destruction on civilian targets. This theoretical shift (development) could severely change the negotiating landscape with the Soviet Union.

From the testimony given and especially the question and answer period, it seems that there is a conscious effort on the part of this Administration to discredit the Church and to pressure it to back away from its commitment to serve the poor and to stop it from speaking out against human rights abuses.

It also serves as further confirmation that the Administration sees this conflict as long term, one that will be fought militarily and also psychologically for many years to come just short of involving American military personnel.

Again, let me thank you for the opportunity to provide testimony on this most important topic before your committee. Pursuing this issue is evidence of your concern and compassion for the people of El Salvador.

Sincerely yours,

JOHN R. QUINN,
Archbishop of San Francisco.

CLINTON SMITH—10 YEARS OF SEEKING JUSTICE

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. MITCHELL. Mr. Speaker, Clinton Smith served as the EEO Director of the Civil Service Commission [CSC], and vigorously carried out his duties. In at least one decision, he found the CSC to have engaged in a high level coverup of actions he described as discriminatory. That is when his tragic, frustrating period began. Reprisals started and have not stopped.

The Washington Lawyers Committee for Civil Rights Under Law reports thusly on Mr. Smith's case:

STATEMENT OF THE CLAIM OF REPRISAL OF CLINTON SMITH

The case of Clinton Smith raises the fundamental question whether federal employees who faithfully and vigorously enforce the civil rights laws can do so free from reprisal. Through his efforts publicly to protect the civil rights of all federal employees, Mr. Smith fell victim to people whom he found had engaged in discrimination. The outcome of this case will send a signal of hope or despair to all people of this country who look to the civil rights laws for protection.

Clinton Smith is a black man who is 48 years old. Mr. Smith was employed by the federal government for 23 years before his poor health compelled his resignation. After four years of active military service, Mr. Smith began employment with the Civil Service Commission (CSC) which he continued in the Office of Personnel Management (OPM), until his resignation in 1982.

For nearly 10 years, Mr. Smith held high-level EEO and civil rights positions in the federal government. From 1970 to 1978 he held the job of Executive Vice Chairman of the Interagency Advisory Group for Equal Employment Opportunity, a position from which he coordinated the personnel policies of various federal agencies. From 1970 to 1979, he also was the Director of Equal Employment Opportunity for the CSC and later the OPM.

As EEO Director, Mr. Smith heard and judged the merits of EEO complaints brought by agency personnel against the agency. His decisions in EEO cases were final and not subject to review by any other agency personnel.

During his tenure as EEO Director, Mr. Smith issued several decisions against the agency which received considerable publicity. Mr. Smith was critical of the agency's handling of civil rights matters. In at least one decision, Mr. Smith found the agency to have engaged in a high-level coverup of actions he characterized as discriminatory and, in October 1977, Mr. Smith sent a memorandum to the Chairman of the CSC that documented efforts by agency personnel to impede the enforcement of equal employment opportunity and merit system laws. His memorandum prompted a large, outside investigation of his allegations. Throughout his term as Director of EEO, Mr. Smith was an outspoken proponent of the vigorous enforcement of the civil rights laws and a counselor to Commission employees about their civil rights.

Mr. Smith's enforcement efforts were met with fierce reprisal. From October 1977, when Mr. Smith sent his memorandum to the Chairman, to the time of his retirement, he was the victim of harassment. Actions were taken against him which impaired his ability to discharge the duties of his job and detracted from the authority he had to perform his job as the Commission's equal employment opportunity officer.

This continuing course of reprisal taken against him aggravated a condition of hypertension from which he was diagnosed as suffering since 1966. In March, 1979, Mr. Smith applied for disability retirement from the OPM, based upon the symptoms created by his hypertension. Although more than 98% of the applications for disability retirement were granted under the standards in operation at the time Mr. Smith filed his application, his request was denied. When Mr. Smith appealed this denial, the agency conceded that it had applied the wrong disability standard and requested the case be remanded for its reconsideration. More than two years after his initial application, the reconsideration of Mr. Smith's application also resulted in its denial. This second denial is on appeal to a federal court of appeals, after he prevailed on a technical legal issue at the Supreme Court recently.

Mr. Smith also is pursuing litigation claiming his disability application denial and other acts of harassment have been in retaliation for the vigor with which he enforced the civil rights laws. Discovery is underway and the government is defending the case strenuously.

The cumulative effects of Mr. Smith's ill health, aggravated by the stress created by years of reprisal and by his litigation have weighed heavily on him. Since his poor health compelled his resignation from federal service in August, 1982, Mr. Smith has been unemployed. When unpaid bills mounted, Mr. Smith was forced to sell his family house in Maryland merely to pay some of his old debts. He and his family relocated to Raleigh, North Carolina where family and friends have tried to help them out. But, his mother-in-law has Alzheimer's disease, making her dependent on their care and his son is afflicted by a series of diseases that have incapacitated him periodically for years. His daughter has given up the chance to attend college in order to help support the family. The pressure of this hardship has required regular and costly medical care for Mr. Smith and his family. Recently, Mr. Smith was hospitalized in the cardiac intensive care unit with cardiovascular problems.

Mr. Smith has fought for years to secure the merit system and civil rights of federal employees. In the present litigation, Mr. Smith seeks to contribute to the security of other proponents of civil rights enforcement.

Mr. Smith has said, "This is what it comes to. After 25 years in the government, the last 9 of those years as principal assistant to the Chairman of the Civil Service Commission—I find myself reduced to a pauper, my family victimized principally because of my efforts to abide by the requirements and laws of the civil service."

This is a tragic story. Can you help?

MICHIGAN WORKERS PROTECT THEIR FIRST AMENDMENT RIGHTS

HON. MARK D. SILJANDER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. SILJANDER. Mr. Speaker, a group of Michigan workers has just won a great victory in their battle to protect their first amendment rights from the outrageous abuse of compulsory union dues for political and ideological causes.

Recently, the State of Michigan—prompted by officials of the United Auto Workers Union—attempted to fire hundreds of Michigan State employees, and sent termination threats to many others.

Mr. Speaker, these workers were not being fired for incompetence or lack of productivity. There was no justification for their termination. No; these loyal and dedicated employees were being stripped of their livelihoods because they refused to allow UAW officials to illegally collect and spend compulsory dues for political and ideological causes the workers oppose.

Fortunately, with the help of the National Right to Work Legal Defense Foundation, these brave workers were able to obtain in Federal district court a precedent-setting injunction to prevent the firings pending the outcome of their September trial.

The workers owe their victory to a string of Supreme Court decisions culminating in Chicago Teachers Union versus Hudson. In that unanimous March 4, 1986, decision, the Supreme Court established strict safeguards to guarantee union officials will not illegally use

compulsory dues. The high court also said public employees can hold both union officials and public employers liable for damages and attorneys' fees if they sign labor contracts which flout the Hudson mandate.

It is my sincere hope the Federal district court will uphold the Hudson case and provide relief for Michigan public employees.

Thomas Jefferson said, "To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves is sinful and tyranical."

Incredible as it may seem, however, this practice is today rampant in our country, despite our Constitution's first amendment guarantees of free speech and association.

For instance, during the 1984 Democratic Presidential race, union officials collected tens of millions of compulsory dues dollars and funneled them into the Mondale campaign in the form of in-kind services such as phone banks, get-out-the-vote drives, and computers.

One Mondale operative placed the value of these forced contributions at $20 million. Other campaign experts estimate the value of big labor's compulsory dues expenditures to be much higher.

The problem of compulsory dues for politics stems from a basic flaw in our Federal election laws. While the Supreme Court, in Abood versus Street, Ellis/Fails versus BRAC, and most recently in the Hudson case has consistently ruled the expenditure of forced union dues for political purposes to be unconstitutional, the Federal Election Campaign Act is silent on the problem. This situation places an incredible burden upon dissenting union members seeking to recover misspent compulsory union dues. These workers face long, complicated, and costly legal battles against an army of well-funded union attorneys.

Mr. Speaker, it is time to bring our election laws in line with the Supreme Court rulings that the abuse of compulsory union dues for political purposes is unconstitutional.

During consideration of last year's appropriations bill funding the Federal Election Commission, I supported a challenge to the motion to rise so that an amendment addressing this problem could be considered. Unfortunately, the House voted 233 to 186 against considering this much-needed reform.

My colleagues and I may soon have another opportunity to address the problem of compulsory dues for politics when the House takes up legislation appropriating money for the FEC for the upcoming year.

It is my sincere hope that a majority of my colleagues will join with me in supporting reforms to our election laws to help curb this abuse of workers' constitutional rights.

REDIRECTED FEDERAL EMPLOYEES

HON. DAN LUNGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. LUNGREN. Mr. Speaker, California, whose 42d District I am proud to represent, is both home and a most attractive place of residence for more Americans than any other single State. It is also the State most often selected by retired Federal employees as their choice of all the places they can freely choose to live. They are indeed interested as a group in the lifestyle around them and still want to be a part of the action. Some among them have served well and have chosen the rocking chair, but there was another undercurrent much in evidence on June 12 at the Hyatt Regency Hotel in Long Beach when the banner of the National Association of Retired Federal Employees was the umbrella over a series of workshops. They wanted to widen the knowledge of their association, seeking means of attracting media attention, and to be seen not so much as laid back but a still-constructive force in the communities where its members live. In a how-to-do-that session, they asked for Col. Barney Oldfield, USAF (retired), of Litton Industries, Inc., in Beverly Hills, as a guest speaker, one of many among us who has retired often, but has never stopped. He said he would come only if the promised honorarium would be given to the Foundation of the Americans for the Handicapped, as it addresses skill training needs of the physically impaired and retarded in Central and South America, and Caribbean Basin nations which he founded, an example in itself of the capacity to still do things as years roll on. That my colleagues may show one more example of the feisty folks still going and doing, I enter his remarks in the RECORD.

REMARKS OF COL. BARNEY OLDFIELD

Colleagues, ladies, and gentlemen, when Vander Mary Smith called me—I suppose in desperation—I asked her to tell me a bit about your organization. I get paid for 30 years, 3 months, and 29 days of military service which ended in September 1962. But mine has always been the experience of retiring, but never the condition that follows because there was always another attachment or tie-on awaiting me the next day. I retired from the Screen Publicists Guild and Warner Brothers in 1948 when the Army recalled me and gave me a regular commission. I transferred to the Air Force, and in 1962 waved goodbye to the uniform. I retired from active status in the Writers Guild of America West in 1974, and qualified for retirement from Litton Industries that same year. In the midst of the festivities, the founder of Litton Industries, Tex Thornton, joined the party and said: "Come to work tomorrow as if nothing happened, and you can go as long as you wish or until you drop dead, whichever is soonest." I thought that was very enlightened personnel practice. So now coming up on 77, I'm in my 23d year and unless they find out I'm here when I should be back in my office, real retirement eludes me—and I hope it always will.

So my credentials are suspect as a retiree, but Vander Mary said she had other things in mind. She said your organization was interested in arousing favorable media attention, and she'd like to have me talk about the how of doing that.

In no way am I a patent medicine salesman, nor can I guarantee that any suggestion I might make will work. But it might be fun to try. And if you can accept what President Reagan has said is crucial to life's betterment—the great force of voluntarism—that there are compensations beyond money, if you will entertain such engagements you may even feel rewarded above anything you could put in a bank. Or that you might have known when you were on the old job.

When I look out there at all of you, what do I see? Hundreds of people who served their country, State, or city in some role it thought was important and necessary. That you served well indicates you possess two admirable characteristics—loyalty and dedication.

For another, you represent a vast pool of knowledge and experience learned at Government expense, while serving the most benevolent and caring boss of them all—the United States of America and its increments.

There's yet another probability among you—that perhaps 10 percent of you dropped ideas in "suggestion boxes" wherever you did your Government service and were given some award. That means you were and are observant, saw things needing correction and the methodology for bringing it about. Whatever they gave you in money had that added ingredient of personal satisfaction which accompanies recognition. And it says that you possess the greatest commodity of all—imagination. I have always believed that those who are truly born poor are those who were born without an imagination.

Undoubtedly, if each of you was interviewed individually we would find that a great many of you are still capable of being jewels substituted for the crowns of thorns worn by today's society, and the whole scene around you could be burnished and brightened were you to observe a little, focus a little, and offer as part of the indicated remedy a little—or a lot of yourselves.

Many of you, I'm told, engage in supportive projects of one kind or another, and you know what I'm talking about. Unfortunately, you perhaps keep them as your own and do not see them by your membership in the California State Federation of Chapters of the National Association of Retired Federal Employees, as a concerted and coordinated effort.

There is an awesome word in our language which halts all too much of your potential and comprehension of your worth. As a verb, the word is retire. As a condition, the word is retirement. As a connotation, it suggests having been placed on a shelf, having had your clock stopped, your capabilities cut off, you being assessed as a real or possible societal burden and your allotted days on the calendar numbered.

If you are a man, the story is that your wife wants you out of the house and from under her feet. If you are a woman, it probably dawns on you that there's no pleasing him. And why is this? It's not just the payroll condition, but mental acceptance that incapacitation and retirement are synonymous.

If your organization is to attract attention in a media sense, it has a lot of barnacles to shake off. The first thing you must do is look at yourselves as others seem to see you, and this will cue you as to changes that are necessary. Example: the chances now of a media call on you as persons or an organization would be for a negative, rather than a positive. Would assignment editors think of you as a response area if their question of the day was "How much better are you off this year than you were last year?", or would they be most likely to think of you for such questions as "How much short of your needs is your monthly retirement check?" or, "How well does medicine take care of you?" Since last year, individuals among you may have done well in some-

thing else you do, picked up a new and fulfilling hobby, have found satisfaction in helping others in a well-constructed program, may have invented something, may have won at the flower show, endowed a scholarhip or helped a kid through school, have become a parttime teacher or tutor. You, as such a person, would have been infinitely better off, more happy with yourself, and have known appreciations of all kinds, but that would not be the answer sought. Among you they know if they look long enough, you will be seen as having to pinch pennies, beset by costly illnesses and these responses will seem to indict all of the good works of caring people who have made this the best place in the world to be a Government employee and later on, a retired one.

Why is this?

A number of reasons. One is what we call in old Hollywood "type-casting." You have either passed the countdown of 62, or the later 65, are retired and are thereafter pigeon-holed as "old." It has nothing to do with how you feel and what you can still do, you have been declared old by legislation, by policy, by decree, by regulation and by the calendar pages used up. It is irrelevant and immaterial that you may not feel that way at all, and may not act that way either. Grandma Moses was born in 1860 and died in 1961 and if you own one of her paintings, you are rich. It would also bear witness that there is no stopping some people, and in her case she didn't grow old—she grew better. As she amassed her 101 years, she excited and made envious people one-quarter her age. She was "type-cast," too—as a doer.

Another reason is the mind-set of those who dismiss you as in a single, limited, compartmentalized classification, a statistic or a demographic. To such minds, you are somewhere between alive or dead and they're not sure which describes you best. Rather than do some inquiring, they place you nearer the latter condition. Since you don't carry a placard in one of those zombie-like marching exercises, the sloganeering approach hasn't been used much by you. It is a well-known fact of American life that no TV assignment editor ever saw a placard on a pole he didn't like. In earlier days, the cameramen who went to the scene brought already prepared signs for the visual improvement of what their lenses could catch. There was an old adage you must remember that "beauty is only skin deep" which warned that we should all look to the inner depths of people in assessing true worth. Now, too often, it's "what you see is what you get." More often than not, you are dismissed by default.

What you are attempting to do then, to change the public impression of you, means you have to go through this filter. I hasten to say that what you want to do is not so much bigger than all of you, but it does indicate the size of your undertaking.

First, you have to see your organization as for the knee-jerk reactions it arouses. National Association of Retired Federal Employees. Every word of it except one has been the subject of stories, speeches and commentaries or editorials. National—that meant you existed in the millions, whether as civil servants or in the military. You were described over and over as "costly," "wallowing in the Government trough," and a "burden to the taxpayers." You may have held critical positions which gave our Government stability and kept it on a steady course, or helped win its wars, but when the general public reflects about you that's not what it remembers. You made them the gift of the Government which blessed them, operated it in their behalf, but in most cases only you know that. Retired—that means you have accepted shelving, a state of suspended animation, have become someone to leave the grandchildren with and to flatter the generations behind you by worrying fulltime about their futures. Federal—that makes you blood brothers and sisters of "pork barrel" legislation, where agencies are created for which the pay is generous, where too many are hired to do the job that is required doing, or has been said so often in derision "a soldier has nothing to do, but gets up early to do it." Employees—that does it right there, as we have all known the tone used along with uttering the words, "Government job" which has never ranked high in the public mind. Add to that all the specters association conjures up—lobbying, special interests, hostility to change, protection of the status quo.

In all those years in uniform, as a regular Army and Air Force officer, there was never a week that went by in peacetime that some well-meaning person who thought he was flattering me didn't ask "How come a guy like you is in uniform?" It was always said as though they believed I could have cut it in some civilian commercial pursuit, so how could I possibly be comfortable wasting my time in uniform? When I would tell them what I was doing was far more interesting to me than what they were doing could ever be, I'm sure they marked me down as peculiar—but I marked them down as uninformed and that they would probably stay that way.

Your first task has to do with your organizational umbrella—National Association of Retired Federal Employees. You keep the name, of course, but in your thinking, think something like national association of redirected federal employees. Redirected indicates restored momentum, renewed efforts and that you've all had do-something transplants.

If your membership cards do not already tell you such things, send a questionnaire along with your next mailing which asks not only for the name, but a positive attitude testimonial profile about general state of health, ability to engage in what kinds of activities, projects with which each is already involved either full or parttime, what projects the association might be thinking about would appeal for participation, and what previous applicable skill credentials those surveyed might have. One thing I'm sure will surprise you will be how many you find engaged in constructive, society-serving, rewarding personal activities already.

When all this is analyzed, I suggest as part of your next annual meeting agenda, you select perhaps 10 association goals in which you are inviting membership participation. You have the makings of a press release right there, perhaps with additional numbers of foster grandparents, hospital ward visitations with retarded children, speech therapy aids, civic decorative and renewal undertakings—and so on. You know the labels better than I do.

But you have to energize such things a little. Just for fun, try this: have the press release available for all comers, and mail it on convention opening day, but add on a little. Paint some placards with the slogan "Hell, no, we won't go." Go to the local cemetery and march up and down in front of the gate, after letting the media know that the National Association for Retired Federal Employees is mounting some kind of a protest at the cemetery. When the media shows up, use that as the platform to state those goals and this is the kind of thing your association is identifying itself with as long as you are allowed by good health and the grace of God to stay on this side of the cemetery gate.

You all might just become the most fantastic bunch of feisty folks.

I used the word "colleagues" in my salutation starting these remarks, and I'm proud to be one of you. But I have been the world's greatest failure as a retiree; no matter how many times it happens, it never sticks—and I hope that even if it does, being retired as a frame of mind never occurs to me—and I hope it never overtakes you either.

BRADLEY FIGHTING VEHICLE

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 28, 1986

Mr. DENNY SMITH. Mr. Speaker, over the past several years, the Army's Bradley Fighting Vehicle has been no stranger to controversy.

Several flaws in the $1.7 million Infantry Fighting Vehicle have been the subject of public attention. Among those flaws, undoubtedly the greatest of problems with the vehicle concerns the vulnerability of our infantry soldiers riding inside. Those familiar with this lightly armored vehicle know that its configuration, complete with massive stores of ammunition and fuel inside the troop compartment, poses a great threat to the infantry inside should the vehicle be penetrated by a whole host of Soviet weapons.

As a result of the public controversy stemming from recent congressionally mandated tests of vehicle, the Army and the manufacturer of the vehicle have been exercising a full-scale public relations campaign to save the Bradley program. They have apparently convinced themselves, wrongly, that calls from Congress for realistic testing of a weapon are akin to calls for its cancellation.

If their PR campaign has done anything, it has certainly generated some interesting mail. Several Members of Congress have received letters from subcontractors of the Bradley located in their congressional districts.

I too have received a few. Consequently, I thought it would be a good idea to send a letter to all those subcontractors of the Bradley letting them know where I stand.

The following letter to Secretary of the Army Marsh will give my colleagues some idea of the bureaucratic attitude with which the Army has decided to approach this subject:

HOUSE OF REPRESENTATIVES,
Washington, DC, July 17, 1986.

Hon. JOHN O. MARSH,
Secretary of the Army,
Washington, DC.

DEAR JACK: After several phone calls from my staff and several weeks of waiting, my office was recently told by Lt. Col. Dave Matthews of Army Liaison that, in response to my inquiry for a list of all the names and addresses of Bradley Fighting Vehicle subcontractors, the Army has no such list.

Recognizing the inordinate amount of problems the Army has experienced with the Bradley and some of its subsystems in the past, it would come as no great surprise to me that the Army itself does not know or cannot name the very manufacturers from whom it is purchasing billions of dollars worth of equipment. I take Lt. Col. Matthew's response to my office to mean that should a Bradley subsystem such as the transmission or the gun sight be found to have serious operational deficiencies, the Army simply wouldn't know who to call.

Jack, your office's response to my request produces a line of reasoning that stretches the limits of one's imagination. I have received some letters from Bradley subcontractors recently on the subject of upcoming appropriations for the system and I would like to respond not only to them but to all those companies that have a stake in the Bradley program.

Please use your influence with your staff to assure them that, like every request for information I make from your office, this is a serious request that I expect to be taken seriously. If I do not receive the requested list within a week's time, my only recourse will be to publish the letter I wish to send to the Bradley subcontractors in the CONGRESSIONAL RECORD in the hopes it will find its way to those it concerns.

Please let me hear from you in the very near future.

Best personal regards.

DENNY SMITH,
Member of Congress.

As you might guess, a week has passed and no list has been produced. Therefore, I would like to call to my colleagues' attention the following letter, a letter I hope will find its way to all those contractors involved in the Bradley program:

DEAR BRADLEY FIGHTING VEHICLE SUBCONTRACTOR: Many of us in Congress have received letters during the past few months from subcontractors like you expressing a strong concern that Congress take no actions that will affect the funding for the Bradley Fighting Vehicle. While the specific concerns expressed have been many, it appears as though the central arguments we have received from subcontractors are 1) Cancelling or slowing down the Bradley program will cost jobs and 2) no vehicle on the battlefield is invulnerable to Soviet weapons—the Bradley should not be held to such a standard.

Regarding jobs: Of all the political institutions in this country sensitive to the issue of jobs for Americans, I would rank Congress at the top of the list. Arguments for jobs are usually effective on Capitol Hill but I think that, after close examination, you would agree that the lives of our young men in combat is now and should remain the focal point in the Bradley debate. I'd like to concentrate on this subject for a moment in order for you to understand why many of us in Congress are concerned.

The assertion several subcontractors, and the Army, have made stating that no armored vehicle, including the Bradley, can be made invulnerable is absolutely correct. With respect to the controversy surrounding the Bradley's vulnerability, it is also irrelevant.

The live-fire tests of the Bradley (and all other weapons of war) have been mandated by Congress so that the Department of Defense can collect valuable data on how our soldier's lives can be saved in combat. These tests are not designed with the specific intent of cancelling weapons systems. They are not designed to prove that vehicles like the Bradley can be totally destroyed by large caliber munitions, already an established fact. And, most certainly, they are not designed to create a self-induced paranoia among the DoD bureaucracy and this nation's defense contractors that better weapons testing equates to a loss of defense contractor jobs.

The question the Bradley live-fire tests are meant to answer is this: Is the Bradley configured in such a way so that UNDUE troop casualties will be caused when hit in combat and, if so, what steps can be taken to modify the vehicle to save more lives.

Limited tests performed to date on the Bradley prove, beyond a shadow of a doubt, that if the ammunition stored inside the troop compartment of the Bradley is penetrated by any Soviet munition, there is the strongest of possibilities that most, if not all, of our soldiers will die.

This has many of us in Congress concerned. I invite you to take a close look at ALL the test data on this point. We don't have all the solutions to this problem nailed down yet, nor do we know how much increased protection through a reconfiguration of the vehicle will cost.

But we do know this: We need to test the Bradley further. The tests should be as honest, realistic, and complete as possible. With the information we gather, we should make the best decision in the interest of our young fighting men we're asking to ride in the Bradley.

I think you would agree with these important goals. If so, I think you would be doing our fighting men a great service by writing to the Army and your own Congressmen to let them know just how important the Bradley live-fire tests are.

Best regards,

DENNY SMITH,
Member of Congress.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, July 29, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 30

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Rules and Administration
To hold oversight hearings to review the activities of the Office of the Senate Sergeant at Arms.
SR-301

9:30 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to consider S. 2346 and S. 2215, bills to authorize funds for the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), establishing the standards by which the Environmental Protection Agency regulates the production and application of pesticide used for agricultural and other purposes.
SR-332

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Appropriations
District of Columbia Subcommittee
Business meeting, to mark up proposed legislation appropriating funds for fiscal year 1987 for programs of the District of Columbia government.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings to examine energy innovation and the patent process.
SD-342

Judiciary
To continue hearings on the nomination of William H. Rehnquist, of Virginia, to be Chief Justice of the United States.
SD-106

2:00 p.m.
Finance
Social Security and Income Maintenance Programs Subcommittee
To hold hearings on S. 2209, to make permanent provisions of the Social Security Act which allow disabled recipients of benefits under the Supplemental Security Income program to receive benefits while working.
SD-215

3:00 p.m.
Conferees
On S. 1965, to revise certain provisions and to authorize funds for programs of the Higher Education Act.
2175 Rayburn Building

JULY 31

9:00 a.m.
Commerce, Science, and Transportation
To hold hearings on scrambling of satellite delivered video programming.
SR-253

9:30 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to consider S. 2346 and S. 2215, bills to authorize funds for the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), estab-

lishing the standards by which the Environmental Protection Agency regulates the production and application of pesticide used for agricultural and other purposes.
SR-332

Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 2159, to designate the Big Sur National Forest Scenic Area in California, H.J. Res. 666, expressing the sense of Congress in support of a commemorative structure within the National Park System dedicated to the promotion of understanding, knowledge, opportunity and equality for all people, and S. 767, to permit access across certain Federal lands in Arkansas.
SD-366

Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings on the implementation of section 404 of the Clean Water Act, relating to the wetlands dredge and fill permit program.
SD-406

Joint Economic
Economic Resources, Competitiveness, and Security Economics Subcommittee
To resume hearings on long-term economic consequences of recent demographic trends.
2359 Rayburn Building

10:00 a.m.
Foreign Relations
Business meeting, to consider proposals to prohibit loans to, other investments in, and other activities with respect to South Africa.
SD-419

Judiciary
To continue hearings on the nomination of William H. Rehnquist, of Virginia, to be Chief Justice of the United States.
SD-106

2:00 p.m.
Conferees
On S. 1965, to revise certain provisions and to authorize funds for programs of the Higher Education Act.
SD-138

4:00 p.m.
Select on Intelligence
Closed business meeting, to be followed by a closed briefing on intelligence matters.
SH-219

AUGUST 1

9:30 a.m.
Finance
International Trade Subcommittee
To hold hearings on S. 1817, to temporarily suspend Most Favored Nation status for Romania for six months, and S. 1492, to permanently withdraw Most Favored Nation status for Romania.
SD-215

Joint Economic
To hold hearings on the employment/unemployment situation for July.
Room to be announced

AUGUST 4

10:00 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 485, to clarify the treatment of submerged lands and ownership by the Alaskan Native Corporation, S. 1330, to allow expanded mineral exploration of the Admiralty Island National Monument in Alaska, S. 2065, to provide Alaska Natives with certain options for the continued ownership of lands and corporate shares pursuant to the Alaska Native Claims Settlement Act, and S. 2370, to erect a memorial on public grounds in the District of Columbia in honor of Francis Scott Key.
SD-366

AUGUST 5

9:30 a.m.
Agriculture, Nutrition, and Forestry
Foreign Agricultural Policy Subcommittee
To resume hearings to review agricultural trade issues.
SR-332

Rules and Administration
To hold hearings on the nomination of Thomas J. Josefiak, of Virginia, to be a Member of the Federal Election Commission, proposed legislation authorizing funds for the American Folklife Center of the Library of Congress, S.J. Res. 268, to provide for the reappointment of Murray Gell-Mann as a citizen regent of the Board of Regents of the Smithsonian Institution, S.J. Res. 269, to provide for the reappointment of David C. Acheson as a citizen regent of the Board of Regents of the Smithsonian Institution, and S. 1311, to authorize the Board of Regents of the Smithsonian Institution to plan, design, and construct facilities for the National Air and Space Museum at Washington Dulles International Airport.
SR-301

10:00 a.m.
Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold hearings on prospects for exporting American coal.
SD-366

Judiciary
To hold hearings on the nomination of Antonin Scalia, of Virginia, to be an Associate Justice of the Supreme Court of the United States.
SD-106

AUGUST 6

9:00 a.m.
Office of Technology Assessment
The Board, to meet in open and closed sessions, to discuss pending business matters.
Room to be announced

9:30 a.m.
Finance
International Trade Subcommittee
To hold hearings on S. 2660, to restrict unfair trade practices in the international trading system of the United States.
SD-215

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Business meeting, to mark up S. 1225, to revise certain provisions of the Atomic Energy Act of 1954 regarding liability of nuclear accidents.
SD-406

Judiciary
To continue hearings on the nomination of Antonin Scalia, of Virginia, to be an Associate Justice of the Supreme Court of the United States.
SD-106

Select on Indian Affairs
To hold hearings on S. 2504, to provide for the exchange of certain lands between the Pueblo of Santa Ana and the University of New Mexico, and H.R. 3214, to provide for the use and distribution of funds awarded to the Crow Creek Band of Umpqua Indians held in trust by the Secretary of the Interior.
SR-485

AUGUST 7

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Finance
To hold hearings on S. 1871, relating to imports which threaten to impair the national security (incorporated in S. 1860 as Title X).
SD-215

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Judiciary
To continue hearings on the nomination of Antonin Scalia, of Virginia, to be an Associate Justice of the Supreme Court of the United States.
SD-106

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings to review the impact of drug education.
SD-430

AUGUST 12

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
Aging Subcommittee
To hold hearings to review certain reauthorization provisions of the Older Americans Act.
SD-430

AUGUST 13

9:30 a.m.
Energy and Natural Resources
To hold hearings on H.J. Res. 17, to consent to an amendment enacted by the legislature of the State of Hawaii to the Hawaiian Home Commission Act, 1920.
SD-366

10:00 a.m.
Governmental Affairs
To hold hearings on the nomination of John Agresto, of the District of Columbia, to be Archivist of the United States.
SD-342

Labor and Human Resources
To resume hearings on S. 1804, to establish a program to provide development and incentive grants to States for enacting medical malpractice liability reforms.
SD-430

AUGUST 14

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Judiciary
Business meeting, to consider the nominations of William H. Rehnquist, of Virginia, to be Chief Justice of the United States, Antonin Scalia, of Virginia, to be an Associate Justice of the Supreme Court of the United States, and other pending calendar business.
SD-226

SEPTEMBER 9

9:30 a.m.
Labor and Human Resources
Employment and Productivity Subcommittee
To hold hearings to review graduate medical education in ambulatory settings.
SD-430

SEPTEMBER 10

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 11

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

SEPTEMBER 16

10:00 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 17

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

SEPTEMBER 18

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

SEPTEMBER 24

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

SEPTEMBER 25

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

OCTOBER 1

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

OCTOBER 2

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

CANCELLATIONS

JULY 29

3:00 p.m.
Select on Ethics
Closed business meeting, to discuss pending committee business.
S-128, Capitol